

# **PUBLIC SCHOOL ASSISTANCE ACT OF' 1961**

---

## **HEARINGS**

**BEFORE THE**

**SUBCOMMITTEE ON EDUCATION**

**OF THE**

**COMMITTEE ON**

**LABOR AND PUBLIC WELFARE**

**UNITED STATES SENATE**

**EIGHTY-SEVENTH CONGRESS**

**FIRST SESSION**

**ON**

**S. 8, S. 57, S. 293, S. 433, S. 723, S. 991, S. 1021, S. 1078, and  
S. 1109**

**BILLS TO PROVIDE FEDERAL ASSISTANCE TO  
EDUCATION**

---

**Part 1**

**MARCH 8, 9, 10, and 13, 1961**

---

**Printed for the use of the Committee on Labor and Public Welfare**



**U.S. GOVERNMENT PRINTING OFFICE**

**WASHINGTON : 1961**

## COMMITTEE ON LABOR AND PUBLIC WELFARE

LISTER HILL, Alabama, *Chairman*

PAT McNAMARA, Michigan

WAYNE MORSE, Oregon

RALPH YARBOROUGH, Texas

JOSEPH S. CLARK, Pennsylvania

JENNINGS RANDOLPH, West Virginia

HARRISON A. WILLIAMS, JR., New Jersey

QUENTIN N. BURDICK, North Dakota

BENJAMIN A. SMITH II, Massachusetts

CLAIBORNE PELL, Rhode Island

BARRY GOLDWATER, Arizona

EVERETT McKINLEY DIRKSEN, Illinois

CLIFFORD P. CASE, New Jersey

JACOB K. JAVITS, New York

WINSTON L. PROUTY, Vermont

STEWART E. McCLURE, *Chief Clerk*

---

## SUBCOMMITTEE ON EDUCATION

WAYNE MORSE, Oregon, *Chairman*

LISTER HILL, Alabama

PAT McNAMARA, Michigan

RALPH YARBOROUGH, Texas

JOSEPH S. CLARK, Pennsylvania

JENNINGS RANDOLPH, West Virginia

CLIFFORD P. CASE, New Jersey

JACOB K. JAVITS, New York

BARRY GOLDWATER, Arizona

JOHN S. FORSYTH, *General Counsel*

CHARLES LEE, *Professional Staff Member*



## CONTENTS

---

Text of:	Page
S. 8.....	2
Report of the Department of Health, Education, and Welfare...	29
S. 57.....	6
Report of the Department of Health, Education, and Welfare...	30
S. 293.....	9
Report of the Department of Health, Education, and Welfare...	34
S. 433.....	9
S. 723.....	11
S. 991.....	14
Report of the Department of Health, Education, and Welfare...	35
S. 1021.....	19
Report of the Department of the Interior.....	37
Report of the Department of Labor.....	39
S. 1078.....	27
S. 1109.....	28
Report of the Bureau of the Budget.....	28

### CHRONOLOGICAL LIST OF WITNESSES

MARCH 8, 1961

Fulbright, Hon. J. W., a U.S. Senator from the State of Arkansas.....	56
Cotton, Hon. Norris, a U.S. Senator from the State of New Hampshire...	83
Ribicoff, Abraham, Secretary, Department of Health, Education, and Welfare, accompanied by: Wilbur J. Cohen, Assistant Secretary-designate, Department of Health, Education, and Welfare; Sterling M. McMurrin, Commissioner-designate of Education; Ralph Flynt, Assistant Commissioner for Legislative and Program Development, Office of Education; Dr. Kenneth A. Simon, Analytical Statistician of the Reference, Estimates, and Projection Section, Office of Education; Dr. Rall Q. Grigsby, Commissioner for School Assistance in federally affected areas; and B. Alden Lillywhite, Associate Director, Division of School Assistance in federally affected areas.....	91

MARCH 9, 1961

Bartlett, Hon. E. L., a U.S. Senator from the State of Alaska.....	179
Carr, Dr. William G., executive secretary, National Education Association, accompanied by Dr. Sam M. Lambert, director, research division...	190
Lambert, Dr. Sam M., director, research division, National Education Association, Washington, D.C.....	270
Fuller, Dr. Edgar, executive secretary, Council of Chief State School Officers.....	299

#### AFTERNOON SESSION

Willis, Dr. Benjamin C., president-elect of the American Association of School Administration, and superintendent of schools, Chicago, Ill., accompanied by Dr. Philip J. Hickey, superintendent of instruction, St. Louis, Mo.....	327
Schertler, Leon A., representing Electronic Teaching Laboratories, Inc....	331
Hecht, George J., chairman of the American Parents Committee, Inc.....	335
Watson, Dr. K. Brantley, Chamber of Commerce of the United States of America.....	338
Lutz, Dr. Harley, Government finance consultant, National Association of Manufacturers.....	373
Schoemann, Peter T., vice president, and chairman of the education committee, American Federation of Labor, accompanied by Andrews J. Biemiller, director of legislation, American Federation of Labor and Congress of Industrial Organizations.....	389
Bull, Mrs. Fred L., National Chairman of Legislation, National Congress, Parent-Teachers Association, accompanied by Mrs. Gray.....	400

## MARCH 10, 1961

	Page
Metcalf, Hon. Lee, a U.S. Senator from the State of Montana.....	410
Barkhurst, W. Ted, assistant superintendent of schools, Great Falls, Mont.....	411
Lindahl, Dean, State administrator of Public Laws 815 and 874, State department of public instruction, Helena, Mont.....	423
Mitchell, Clarence, director, Washington Bureau, National Association for the Advancement of the Colored People.....	426
Root, Margaret, executive secretary of the Pennsylvania Federation of Teachers.....	440
Pincus, Celia, president of the Philadelphia Federation of Teachers.....	446
Kampelman, Max M., counsel for the American Jewish Congress, accompanied by Joseph B. Robison.....	456
Carlson, C. E., executive director, Baptist Joint Committee on Public Affairs.....	472

## AFTERNOON SESSION

Lowell, C. Stanley, associate director of Protestants and Other Americans United for Separation of Church and State.....	483
Blanshard, Mrs. Paul, executive director, Unitarian Fellowship for Social Science.....	496
La Driere, David L., president, accompanied by Glen Andreas, vice president, and Francis Brown, vice president, Citizens for Educational Freedom.....	501
Bell, Mrs. Alison, legislative staff, American Association of University Women.....	505
Mercano, Hipolito, grand master of the Masonic Lodge, Puerto Rico.....	508
Little, M. V., consultant to Americans Unlimited and other organizations..	517
Mercano, Hipolito, grand master of Masonic Lodge, Puerto Rico (recalled)..	523

## MARCH 13, 1961

Meyer, Agnes E.....	527
Goldwater, Hon. Barry, a U.S. Senator from the State of Arizona.....	538
Metcalf, Hon. Lee, a U.S. Senator from the State of Montana.....	560
Cooper, Hon. John Sherman, a U. S. Senator from the State of Kentucky..	580

## AFTERNOON SESSION

Freeman, Roger A., research associate, Institute for Studies in Federalism, Claremont Mens' College, Claremont, Calif.....	620
Engle, Hon. Clair, a U.S. Senator from the State of California.....	682
Proxmire, Hon. William, a U.S. Senator from the State of Wisconsin.....	686
O'Brien, Father William, S.J., assistant professor of government and constitutional law, Georgetown University.....	701
Shore, Frederick, administrative assistant, East Meadow Public Schools, Nassau County, Long Island, N.Y.....	717

## MARCH 14, 1961

Gruening, Hon. Ernest, a U.S. Senator from the State of Alaska, accompanied by George Rogers, professor of economics, University of Alaska..	731
Rose, Oscar V., superintendent of schools, Midwest City, Okla.; Dr. Ralph Dailard, superintendent of schools, San Diego, Calif.; and Walter McKee, superintendent of schools, Montgomery, Ala.....	773
Rose, Oscar V., superintendent of schools, Midwest City, Okla.....	807
Borchardt, Selma, national vice president, American Federation of Teachers.....	815
Swainson, Hon. John B., Governor of the State of Michigan, accompanied by Lynn M. Bartlett, superintendent of public instruction for the State of Michigan, and Hon. Philip A. Hart, a U.S. Senator from the State of Michigan.....	822
Hochberg, Samuel, deputy president, United Federation of Teachers, local No. 2, American Federation of Teachers.....	858
Hilton, Dr. David, vice president, American Federation of Teachers, Detroit, Mich.....	860

# CONTENTS

V

Megel, Carl J., president, American Federation of Teachers, AFL-CIO, Chicago, Ill.....	Page 922
Hutchison, Phillys, vice president, American Federation of Teachers, Portland, Oreg.....	926
Hochwalt, Rt. Rev. Msgr. Frederick G., director, National Catholic Welfare Conference.....	933

## AFTERNOON SESSION

White, Don, executive vice president, National Audio-Visual Association, Fairfax, Va.....	939
Boehm, Charles H., superintendent of public instruction, Pennsylvania.....	941
Martin, David B. H., Special Assistant to the Assistant Secretary for Legislation, Department of Health, Education, and Welfare.....	953
Hill, W. W., Jr., on behalf of the Member State Chambers of the Council of State Chambers of Commerce; accompanied by Robert Gresham, assistant research director.....	960

## MARCH 15, 1961

Hayes, Dr. John Cornelius, president, National Council of Catholic Men, accompanied by William R. Considine, director, legal department, National Catholic Welfare Conference.....	969
Lamberth, Edwin L., superintendent, Norfolk City Public Schools, Norfolk, Va.....	984
Krettek, Mrs. Germaine, director, Washington office, American Library Association.....	991
Feldman, J. Arnold, executive director, American Veterans' Committee.....	996
Long, Hon. Oren E., a U.S. Senator from the State of Hawaii.....	1007

## MARCH 20, 1961

Neuberger, Hon. Maurine, a U.S. Senator from the State of Oregon.....	1013
Knoff, Dr. Gerald E., executive secretary, Division of Christian Education, National Council of the Churches of Christ in the United States.....	1015
Murch, James DeForest, chairman, Commission on Evangelical Action, National Association of Evangelicals.....	1026
Van Deusen, Dr. Robert E., Washington secretary, Division of Public Relations, National Lutheran Council.....	1029
Zagri, Sidney, legislative counsel, International Brotherhood of Teamsters.....	1049
McDiarmid, Mrs. Hugh, member, General Assembly of Virginia, representing Fairfax County.....	1060
Walker, Robert B., assistant superintendent of schools, Fairfax County, Va.....	1063

## STATEMENTS

American Civil Liberties Union, New York City, prepared statement.....	1303
American Jewish Committee, prepared statement.....	1205
Bamberger, Rabbi Bernard J., president, Central Conference of American Rabbis, prepared statement.....	1206
Barkhurst, W. Ted, assistant superintendent of schools, Great Falls, Mont.....	411
Bartlett, Hon. E. L., a U.S. Senator from the State of Alaska.....	179
Bartlett, Lynn M., State superintendent of public instruction, Michigan.....	826
Bell, Mrs. Alison, legislative staff, American Association of University Women.....	505
Blanshard, Mrs. Paul, executive director, Unitarian Fellowship for Social Science.....	496
Boehm, Dr. Charles H., superintendent of public instruction, Pennsylvania, prepared statement.....	941, 956
Borchardt, Selma, national vice president, American Federation of Teachers.....	815
Bull, Mrs. Fred L., national chairman of legislation, National Congress, Parent Teachers Association, accompanied by Mrs. Gray.....	400
Carlson, C. E., executive director, Baptist Joint Committee on Public Affairs.....	472

Carr, Dr. William G., executive secretary, National Education Association, accompanied by Dr. Sam M. Lambert, director, research division.....	Page 190
Citizens for Educational Freedom, Wisconsin chapters, prepared statement.....	1253
Clayman, Jacob, administrative director, industrial union department, AFL-CIO, prepared statement.....	1165
Colborn, Fern M., secretary for social education, National Federation of Settlements and Neighborhood Centers, prepared statement.....	1147
Cooper, Hon. John Sherman, a U.S. Senator from the State of Kentucky..	580
Cotton, Hon. Norris, a U.S. Senator from the State of New Hampshire..	83
Dailard, Ralph, superintendent of schools, San Diego, Calif., prepared statement.....	790
Department of Health, Education, and Welfare, prepared statement.....	998
District of Columbia Education Association, Washington, D.C., prepared statement.....	1281
Federal impact and burden, Hardin County Board of Education, Elizabethtown, Ky., prepared statement.....	720
Engle, Hon. Clair, a U.S. Senator from the State of California.....	682
Feldman, J. Arnold, executive director, American Veterans' Committee...	996
Freeman, Roger A., research associate, Institute for Studies in Federalism, Claremont Men's College, Claremont, Calif.....	620
Prepared statement.....	649
Fulbright, Hon. J. W., a U.S. Senator from the State of Arkansas.....	56
Fuller, Dr. Edgar, executive secretary, Council of Chief State School Officers.....	299
Prepared statement.....	319
Goldwater, Hon. Barry, a U.S. Senator from the State of Arizona.....	538
Gruening, Hon. Ernest, a U.S. Senator from the State of Alaska, accompanied by George Rogers, professor of economics, University of Alaska..	731
Hardin County Board of Education, Elizabethtown, Ky., statement of Federal impact and burden.....	720
Hays, Dr. John Cornelius, president, National Council of Catholic Men, accompanied by William R. Considine, director, legal department, National Catholic Welfare Conference.....	969
Hecht, George J., chairman, American Parents Committee, Inc.....	335
Hill, Dr. W. W., Jr., State Chamber of Commerce.....	960
Prepared statement.....	964
Hilton, Dr. David, vice president, American Federation of Teachers, Detroit, Mich.....	860
Hochberg, Samuel, deputy president, United Federation of Teachers, Local No. 2, American Federation of Teachers.....	858
Hochwalt, Rt. Rev. Msgr. Frederick G., director, National Catholic Welfare Conference.....	933
Hutchison, Phyllis, vice president, American Federation of Teachers, Portland, Oreg.....	926
Prepared statement.....	928
Kampelman, Max M., counsel for the American Jewish Congress, accompanied by Joseph B. Robison.....	456
Knoff, Dr. Gerald E., executive secretary, division of christian education, National Council of the Churches of Christ in the United States.....	1015
Prepared statement and addendum.....	1022
Krettek, Mrs. Germaine, director, Washington office, American Library Association.....	991
La Driere, David L., president, accompanied by Glen Andreas, vice president and Francis Brown, vice president, Citizens for Educational Freedom.....	501
Lambert, Dr. Sam M., director, research division, National Education Association, Washington, D.C.....	270
Lamberth, Edwin L., superintendent, Norfolk City Public Schools, Norfolk, Va.....	984
Lindahl, Dean, State administrator of Public Laws 815 and 874, State department of public instruction, Helena, Mont.....	423
Little, M. V., consultant to Americans Unlimited and other organizations..	517
Prepared statement.....	512
Supplemental statement.....	513
Long, Hon. Oren E., a U.S. Senator from the State of Hawaii.....	1007
Prepared statement.....	1010

	Page
Lowell, C. Stanley, associate director of Protestants and Other Americans United for Separation of Church and State.....	483
Lutheran Church, Missouri Synod, St. Louis, Mo., prepared statement....	1211
Lutz, Dr. Harley, Government finance consultant, National Association of Manufacturers.....	373
McDiarmid, Mrs. Hugh, member, General Assembly of Virginia, representing Fairfax County.....	1060
Mercano Hipolito, grand master of the Masonic Lodge, Puerto Rico..	505
(Recalled).....	523
Martin, David, Special Assistant to the Assistant Secretary for Legislation, Department of Health, Education, and Welfare.....	953
Mayer, Vera Waltman, general secretary, National Consumers League, prepared statement.....	1306
Megel, Carl J., president, American Federation of Teachers, AFL-CIO, Chicago, Ill.....	922
Metcalf, Hon. Lee, a U.S. Senator from the State of Montana.....	410, 560
Meyer, Agnes E.....	527
Mitchell, Clarence, director, Washington bureau, National Association for the Advancement of the Colored People.....	426
Murch, James DeForest, chairman, Commission on Evangelical Action, National Association of Evangelicals.....	1026
National Education Association of the United States, Washington, D.C., prepared statement.....	1283
National Lutheran Council at Detroit, Mich., January 31-February 3, 1961, entitled "Church Hospitals and the Hill-Burton Act", prepared statement.....	1044
Neuberger, Hon. Maurine, a U.S. Senator from the State of Oregon.....	1013
O'Brien, Father William S.J., assistant professor of government and constitutional law, Georgetown University.....	701
Pincus, Celia, president of the Philadelphia Federation of Teachers.....	446
Prepared statement.....	454
Proxmire, Hon. William, a U.S. Senator from the State of Wisconsin.....	686
Ribicoff, Abraham A., Secretary, Department of Health, Education, and Welfare, accompanied by Wilbur J. Cohen, Assistant Secretary-designate, Department of Health, Education, and Welfare; Sterling M. McMurrin, Commissioner-designate of Education; Ralph Flynt, Assistant Commissioner for Legislative and Program Development, Office of Education; Dr. Kenneth A. Simon, Analytical Statistician of the Reference, Estimates, and Projection Section, Office of Education; Dr. Rall Q. Grigsby, Commissioner for School Assistance in Federally Affected Areas; and B. Alden Lillywhite, Associate Director, Division of School Assistance in Federally Affected Areas.....	91
Root, Margaret, executive secretary of the Pennsylvania Federation of Teachers.....	440
Prepared statement.....	444
Rose, Oscar V., superintendent of schools, Midwest City, Okla.....	773
Prepared statement.....	810
Rose, Oscar V., superintendent of schools, Midwest City, Okla.; Dr. Ralph Dailard, superintendent of schools, San Diego, Calif.; and Walter McKee, superintendent of schools, Montgomery, Ala.....	807
Saginaw, Mich., Board of Education, prepared statement.....	1300
Schertler, Leon A., representing Electronic Teaching Laboratories, Inc..	331
Schoemann, Peter T., vice president, and chairman of the education committee, American Federation of Labor, accompanied by Andrews J. Biemiller, director of legislation, American Federation of Labor and Congress of Industrial Organization.....	389
Seventh-Day Adventist Church, prepared statement.....	1218
Sharpe, D. R., prepared statement.....	1313
Sherer, Rabbi Morris, executive vice president, Agudath Israel of America, prepared statement.....	1203
Shore, Frederick, administrative assistant, East Meadow Public Schools, Nassau County, Long Island, N.Y.....	717
Storper, Bernard S., Long Island City, N.Y., prepared statement.....	1313
Swainson, Hon. John B., Governor of the State of Michigan, accompanied by Lynn M. Bartlett, superintendent of public instruction for the State of Michigan; and Hon. Philip A. Hart, a U.S. Senator from the State of Michigan.....	822

	<b>Page</b>
Thomas, Norman, prepared statement.....	1095
United Christian Missionary Society, prepared statement.....	1220
Van Deusen, Dr. Robert E., Washington secretary, division of public relations, National Lutheran Council.....	1029
Walker, Robert B., assistant superintendent of schools, Fairfax County, Va.....	1063
Watson, Dr. K. Brantley, Chamber of Commerce of the United States of America.....	338
White, Don, executive vice president, National Audio-Visual Association, Fairfax, Va.....	939
Supplementary statement.....	1316
Willis, Dr. Benjamin C., president-elect of the American Association of School Administration, and superintendent of schools, Chicago, Ill.; accompanied by Dr. Philip J. Hickey, superintendent of instruction, St. Louis, Mo.....	327
Zagri, Sidney, legislative counsel, International Brotherhood of Teamsters..	1049

### ADDITIONAL INFORMATION

Amendment intended to be proposed by Senator Gruening to S. 1021....	737
Amendments to S. 1021, a bill to authorize a program of Federal financial assistance for education.....	689
Analysis of the receipts and expenditures of the Michigan Public Schools for 1959-60.....	831
Articles entitled:	
"A Statement of Policy," by the General Board of Christian Social Concerns of the Methodist Church.....	1214
"Does Public Aid to Sectarian Schools Violate the Separation Principle?" by Clarence E. Mershon, Troutdale, Oreg.....	1082
"Federal Aid to Education and Religious Liberty," by Joseph F. Costanzo, S. J.....	1098
"Fairfax 'Overbuilds,' Now Has Spare School," from the Washington Star of February 22, 1961.....	987
"Historical Justification for Federal Aid to Education," by American Federation of Teachers, AFL-CIO.....	865
"How To Hurt Both Religion and Education," by James Reston, in the New York Times of March 10, 1961.....	499
"Men Teachers and Ex-Teachers: Some Attitudes and Traits," by Robert L. Thorndike and Elizabeth Hagen, Teachers College, Columbia University.....	60
"Smartest Teachers? They Quit Teaching," by Erwin Knoll from the Washington Post of January 8, 1961.....	71
"Three Rulings Cited To Back Kennedy School Stand," by Miriam Ottenberg in the Washington Sunday Star of March 19, 1961.....	1020
"The Cardinal's Statement," from the New York Times of March 14, 1961.....	769
"Today and Tomorrow," by Walter Lippmann, from the Washington Post of March 14, 1961.....	770
Comparison of estimated allotments for fiscal year 1964 under S. 1021 (Morse bill) proposed School Assistance Act of 1961, based upon attendance at public elementary and secondary schools and school-age (5 to 17 inclusive) population.....	228
Comparison of proposals for Federal grants for public elementary and secondary schools.....	214
Compilation figures from Office of Education Statistical Summary of Education, 1955-56, quoted by Senator Goldwater.....	589
Compilation of:	
Public Law 815, 81st Congress, as amended.....	601
Public Law 874, 81st Congress, as amended.....	610
Editorials from the Washington Post of—	
March 9, 1960, entitled "Appeal to Reason".....	498
March 10, 1960, entitled "Motive and Criticism".....	498

	Page
Federal programs under which institutions with religions affiliations receive Federal funds through grants or loans.....	139
Hypothetical effect on salaries of instructional staff if all states used 90 percent of their allotments under S. 1021 to increase salaries of instructional staff.....	171
Inquiry by Dr. Fuller to 35 individuals and the replies from same.....	304
Letters and telegrams from:	
Alaska State Board of Education, Hon. Abraham Ribicoff, Secretary of Health, Education, and Welfare, telegram inserted by Senator Gruening.....	733
Alcott, Chauncey G., president, board of school directors, Hanover, Pa., to Senator Morse, dated March 14, 1961.....	1311
Allott, Hon. Gordon, a U.S. Senator from the State of Colorado to Senator Hill, containing letter from Robert H. Johnson, superintendent, Jefferson County public schools, Lakewood, Colo.....	723
Bailey, Nathan, president, Christian and Missionary Alliance, New York City, to Senator Morse, dated March 21, 1961.....	1219
Barnes, D. Keith, M.D., Davis County Health Department, Kaysville, Utah, to Senator Bennett, dated March 14, 1961.....	1144
Bartlett, Hon. E. L., a Senator from the State of Alaska, to Senator Morse, containing a supplementary memorandum.....	1180
Bemis, Maynard, executive secretary, Phi Delta Kappa, Bloomington, Ind., to Senator Morse, containing copy of board's statement of position.....	1308
Benner, Lester C., general superintendent, Churches of Christ in Christian Union, to Senator Morse, dated March 23, 1961.....	1208
Biondolillo, Gabriel, College of Our Lady of the Ozarks, Carthage, Mo., to the subcommittee, dated March 17, 1961.....	1278
Bittner, Mark R., National Council of Real Estate Taxpayers, Allentown, Pa., to Senator Morse.....	1290
Brandt, Henry, president, Evangelical Mennonite Brethren Conference, Omaha, Nebr., to Senator Morse, dated March 22, 1961..	1209
Brother Anthony Frederick, S.M., chairman, Department of English, National Council of Teachers of English, to Senator Morse, dated March 29, 1961.....	1291
Brother Raymond Fleck, C.S.C., St. Edwards University, Austin, Tex., to Senator Morse, dated March 15, 1961.....	1297
Burkhardt, Frederick, president, American Council of Learned Societies, New York, N.Y., to Senator Morse.....	1148
Bush, Hon. Prescott, a U.S. Senator from Connecticut, to Senator Morse, dated March 10, 1961, with attachments.....	1072
Calvert, Gordon L., Investment Bankers Association of America, Washington, D.C., to Senator Morse, containing statement.....	1150
Carling, Daniel F., Potter Township School District, Monaca, Pa., to Senator Morse, dated March 7, 1961.....	723
Cohen, Wilbur J., Assistant Secretary, Department of Health, Education, and Welfare, to Senator Morse, dated April 7, 1961.....	761, 767
Dunn, Harvey E., president, Grant District Teacher's Association, Del Paso Heights, Calif., to Senator Morse, dated March 17, 1961..	1288
Eggers, Ben, executive secretary of parish education, Lutheran Church, Missouri Synod, Kansas district, to Senator Morse, dated March 14, 1961.....	1213
Ewart, William J., president, Elementary Class Room Teachers Association of the District of Columbia, telegram to Senator Morse..	1288
Faugmeier, Robert A., national director, United Christian Missionary Society, Indianapolis, Ind., to Senator Morse, dated March 22, 1961.....	1219
Flemming, Hon. Arthur S., Secretary, Department of Health, Education, and Welfare, to Clarence Mitchell, NAACP.....	439
Frantz, Roy O., president, National School Boards Association, Evanston, Ill., to Senator Morse, March 10, 1961.....	728
Frantz, Roy O., president, National School Boards Assn., Evanston, Ill., telegram to Senator Hill.....	1292



**Letters and telegrams from—Continued**

Freeman, Roger A., Claremont Men's College, Claremont, Calif., to Senator Morse containing appendices A-G-----	Page 625
Frizzell, Rev. John R., Jr., rector, St. Alban's Episcopal Church, Annandale, Va., to Senator Morse, dated March 15, 1961-----	1208
Fuller, Edgar, executive secretary, Council of Chief State School Officers, letter containing questionnaire to 35 chief State school officers and their replies-----	304
Gavin, Evelyn M., L.H.S., Third Order of Our Lady of Mount Carmel, Scapular Bureau, New York City, to Senator Morse, dated March 22, 1961-----	1218
Gellhorn, Walter, Betts professor of law, Columbia University, New York City, to Senator Morse, dated March 20, 1961-----	1279
Givler, Mrs. Homer M., Kansas Baptist Woman's Mission Society, Kansas City, Kans., to Senator Morse, dated March 23, 1961-----	1207
Graham, C. V., president, Center Stake of Zion, Church of Jesus Christ of Latter-day Saints, Independence, Mo., to Senator Morse, dated March 23, 1961-----	1207
Groff, Clarence, acting chairman, Sidney Deanery, Council of Catholic Men, to the subcommittee, dated March 29, 1961-----	1217
Gruening, Hon. Ernest, a U.S. Senator from the State of Alaska, to Senator Morse, dated March 16, 1961, containing remarks from the Congressional Record entitled "A Better Formula for the Allocation of Federal Funds for Education"-----	1182
Dated March 15, 1961, containing statement of Dr. George W. Rogers-----	1076
Hamilton, Thomas J., chairman, NCAA Fitness Committee, Athletic Association of Western Universities, San Francisco, Calif., to Senator Morse, dated March 21, 1961-----	1278
Harman, Rev. Robert J., Minister, Hope Presbyterian Church, Watertown, N.Y., to Senator Morse, dated March 24, 1961-----	1253
Harmelink, Ray J., associate general secretary, United Presbyterian Church in the U.S.A., to Senator Morse, dated—	
March 16, 1961-----	1096
March 24, 1961-----	1220
Harris, Herbert E., II, president, Fairfax County Federation of Citizens Associations, to Senator Morse, dated April 5, 1961-----	1299
Harris, Sterling R., superintendent of schools, Tooele, Utah, to Senator Bennett, dated March 14, 1961-----	1146
Holt, G. Harold, superintendent, Davis County school district, Farmington, Utah, dated March 16, 1961-----	1144
Hoyt, Joseph W., temporary president, AFGE Local 2024, Kittery, Maine, to Senator Morse, dated March 22, 1961-----	1305
Hummon, Serge F., secretary, Board of Home Missions, Congregational and Christian Churches, New York City, to Senator Morse, dated April 2, 1961-----	1208
Hymes, Mrs. Charles, national president, National Council of Jewish Women, New York, N.Y., to Senator Morse, dated March 13, 1961, containing statement-----	1079
Isbill, O. Ralph, general officer, Open Bible Standard Churches, Inc., Des Moines, Iowa, to Senator Morse, dated March 22, 1961-----	1217
Jackson, Hon. Henry M., a U.S. Senator from the State of Washington, to Senator Morse, dated March 13, 1961, with attachments---	1069
Jageman, James E., superintendent, Knob Noster Public Schools, Knob Noster, Mo., to Senators Symington and Long, dated March 15, 1961-----	1299
Johnston, Hon. Olin D., a U.S. Senator from South Carolina, to Senator Morse dated March 13, 1961-----	1071
Kaminetsky, Dr. Joseph, national director, Torah Umesorah, New York City, to Senator Morse-----	1179
Keiller, James A., president, International Pentecostal Assemblies, Atlanta, Ga., to Senator Morse, dated March 22, 1961-----	1210
Kelley, Dean M., executive secretary, National Council of the Churches of Christ, to Senator Morse, dated April 3, 1961-----	1217
Kirk, Russell, Mecosta, Mich., to Senator Morse, containing his biography and an article entitled "Do We Want Federal Subsidies for the Schools?"-----	1157



**Letters and telegrams from—Continued**

Lambert, Sam M., director, research division, National Education Association, dated March 24, 1961, to Senator Morse .....	Page 204
Lehman, Rev. Glen A., national executive secretary, Independent Fundamental Churches of America, Chicago, Ill., to Senator Morse, dated March 22, 1961 .....	1209
Leskes, Theodore, director, legal division, American Jewish Committee, to Senator Morse, dated March 22, 1961 .....	1204
Logan, William B., president, American Vocational Association, Inc., to Senator Hill, dated April 5, 1961 .....	1276
Long, Hon. Edward V., a U.S. Senator from the State of Missouri, to Senator Morse, dated April 4, 1961 .....	1200
Long, Hamilton A., New York City, to Senator Morse, dated March 21, 1961 .....	1312
Lyle, Dorothy, president, American Home Economics Association, telegram to Senator Morse, dated March 27, 1961 .....	1276
Lynn, John C., legislative director, American Farm Bureau Federation, Washington, D.C., to Senator Morse, containing statement ..	1169
McCormack, Hon. John W., a Representative from the State of Massachusetts, to Senator Morse, dated —	
March 28, 1961 .....	1202
March 29, 1961 .....	1203
McDonough, James R., executive secretary, Hawaii Education Association, Honolulu, to Senator Morse, dated April 3, 1961, containing resolution adopted March 29, 1961 .....	1289
McFeely, Elizabeth K., special services deputy, superintendent of schools, Alameda County, Calif., to Senator Morse, March 21, 1961, containing resolution adopted March 17, 1961 .....	1298
McMahon, Joseph H., New York City, to Senator Morse, containing statement signed by various individuals .....	1309
Magliolo, Andrew J., M.D., Dickinson, Tex., to Senator Morse, dated March 14, 1961 .....	1302
Mark, Ruth, president, PTA, Public School 61, New York City, to Senator Morse, dated March 21, 1961 .....	1294
Martin, Samuel E., county superintendent, Seneca County schools, Tiffin, Ohio, to Senator Morse, dated March 3, 1961 .....	722
Mays, Floyd R., Jr., M.D., Medical Arts Clinic Hospital, Big Spring, Tex., to Senator Morse, dated March 20, 1961 .....	1302
Melvin, Billy A., executive secretary, National Association of Free Will Baptists, Nashville, Tenn., March 22, 1961 .....	1213
Metcalf, Hon. Lee, a U.S. Senator from the State of Montana, to Senator Morse enclosing a letter from Harry H. Cloke, principal Lame Deer Public Schools, Lame Deer, Mont. ....	569
To Senator Morse dated March 20, 1961, containing a letter from Ruth Putz, superintendent of schools, Valley County, Mont. ....	565
Miles, Clarence R., manager legislative department, Chamber of Commerce of the United States, containing attachments to Senator Morse .....	355
Miller, Arthur L., executive secretary, Lutheran Church, Missouri Synod, St. Louis, Mo., to Senator Morse, dated March 22, 1961 ..	1211
Mitchell, Clarence, director, Washington Bureau, NAACP, to Senator Morse, dated March 10, 1961, containing statement of Roy Wilkins, executive secretary, NAACP .....	1080
Mitchell, Clarence, director, Washington Bureau, NAACP, telegram dated August 29, 1960, and letters dated November 8, 1960, to Hon. Arthur S. Flemming, Secretary, Department of Health, Education and Welfare .....	437
Mitchell, Glenn F., superintendent, Madison Public Schools, Madison, Kans., to Senator Morse, dated March 17, 1961 .....	1289
Mondy, J. L., executive secretary General Association of General Baptists, Poplar Bluff, Mo., telegram to Senator Morse, dated March 22, 1961 .....	1209
Morse, Hon. Wayne, to Senator Mansfield, Representative Rayburn, Senator Humphrey, and Representative McCormack, dated March 14, 1961 .....	983
Morse, Hon. Wayne, to Dean Katz, Professor Howe, and Professor Sutherland, and replies thereto .....	705

**Letters and telegrams from—Continued**

Mortola, Edward J., president, Pace College, New York City, to Senator Keating, dated March 10, 1961.....	Page 1293
Newman, Chas. C., superintendent of schools, Paxton, Ill., to Senator Morse.....	722
Nichols, William B., president, Public Education Association, New York City, to Senator Morse, dated March 28, 1961, containing prepared statement.....	1295
Nolan, Robert L., M.D., Oakland, Calif., to Senator Hill.....	
Norby, Theo J., commissioner, Alaska State Department of Education, to Senator Bartlett, dated March 8, 1961.....	189
O'Connor, Warren B., secretary, Citizens for Educational Freedom, Hales Corner, Wis., to Senator Morse, dated March 21, 1961.....	1253
Oklahoma County Republican Women's Club, Oklahoma City, Okla., to Senator Morse, dated March 7, 1961.....	722
Pelissier, Charlotte N., legislative chairman, American Association of University Women, to Senator Morse, dated March 18, 1961....	1302
Pell, Hon. Claiborne, a U.S. Senator from Rhode Island, to Senator Senator Morse, dated March 10, 1961, with attachments.....	1074
Phillips, Ferman, president, National Association of Secretaries of State Teachers' Associations, to Senator Morse, dated March 9, 1961, containing a prepared statement.....	404
Raymond, Thelma M., secretary, Classroom Teachers Council, District of Columbia, telegram to Senator Morse.....	1288
Regan, Robert, Jr., director, general board of the Christian Social Concerns of the Methodist Church, to Senator Morse.....	1149
Regner, Rabbi Sidney L., executive vice president, Central Conference of American Rabbis, to Senator Morse, dated March 23, 1961....	1206
Rehberg, Jane A., president, Michigan Federation of Teachers, Detroit, Mich., to Senator Morse, dated March 6, 1961.....	1078
Rehberg, Jane A., president, Michigan Federation of Teachers, telegram to Dr. David Hilton.....	863
Reichert, Ivan, president, Argonia Local Teachers Association, Argonia, Kans., to Senator Morse, dated March 17, 1961.....	1289
Reuss, Carl F., director, American Lutheran Church, Minneapolis, Minn., to Senator Morse, dated March 21, 1961.....	1210
Reuter, George S., Jr., research director, American Federation of Teachers, to Senator Morse, dated April 3, 1961.....	1260
Ribicoff, Hon. Abraham, Secretary of Health, Education, and Welfare: Dated March 28, 1961, to Senator Morse.....	110
Dated April 18, 1961, to Senator Hill.....	1321
Riegle, H. Edgar, district superintendent, Gettysburg Joint School System, Gettysburg, Pa., to Senator Clark.....	1146
Rinta, Eugene F., executive director, Council of State Chambers of Commerce, Washington, D.C., to Senator Morse, dated March 20, 1961.....	967
Riordan, Mary Ellen, president, Detroit Federation of Teachers, telegram to Dr. David Hilton.....	863
Rose, Herbert H., secretary, Ministerial Association, Livingston, N.J., telegram to Senator Morse, dated March 16, 1961.....	1213
Rosine, Don, Indio Faculty Club, Indio, Calif., to Senator Morse, dated March 26, 1961.....	1290
Ross, Roy G., general secretary, National Council of the Churches of Christ, New York City, to Senator Morse, dated March 13, 1961..	1215
Ryan, Aileen B., assemblywoman, State of New York, to Senator Morse, dated March 28, 1961.....	1204
Samuel, Helen E., executive secretary, District of Columbia Education Association, to Senator Morse, dated March 23, 1961.....	1281
Schell, Steven R., Associated Students, University of Oregon, Eugene, Oreg., dated February 8, 1961, to Senator Morse.....	52
Schiotz, Fredrik A., American Lutheran Church, Minneapolis, Minn., to Senator Morse, dated March 21, 1961.....	1210
Scott, Chas. W. H., assistant general superintendent, General Council of the Assemblies of God, Springfield, Mo., to Senator Morse, dated March 23, 1961.....	1209
Sharpe, D. R., 48th Assembly District, Democratic Council, Los Angeles County, to Senator Morse, dated March 20, 1961.....	1312
Shaw, R. Harland, Free World Committee, Chicago, Ill., to Senator Morse, dated March 24, 1961.....	1305

Letters and telegrams from—Continued

Shemin, Henry, president Erasmus Hall High School, New York City, telegram to Senator Morse-----	Page 1294
Sherer, Rabbi Morris, executive vice president, Agudath Israel of America, New York City, to Congressman McCormack, dated March 27, 1961-----	1202
Siegman, Joseph, chairman, legislative committee, Pennsylvania State Education Association, Harrisburg, Pa., to Senator Morse, dated March 21, 1961-----	1294
Slocum, James F., superintendent, Minot Public Schools, Minot, N. Dak., to Senator Young, dated March 23, 1961-----	1201
Stackhouse, William R., area representative, United Presbyterian Church in the U.S.A., Kansas City, Mo., to Senator Morse, dated March 31, 1961-----	1253
Stahl, Steve, chairman, National Taxpayers Conference, Oklahoma Public Expenditures Council, Oklahoma City, Okla., March 9, 1961-----	728
Stausbury, Eugene P., president, Board of Education, Saginaw, Mich., to the committee, dated March 15, 1961-----	1081
Stevenson, Margaret, executive secretary, Department of Classroom Teachers, National Education Association, Washington, D.C., to Senator Morse, dated March 23, 1961-----	1291
Stovall, Travis, superintendent, Clovis Municipal Schools, Clovis, N. Mex., to Senator Morse, dated March 14, 1961-----	1293
Sullivan, Dan J., president, New York Chapter, Citizens for Educational Freedom New York City, to Senator Morse, March 23, 1961, containing petition signed by various persons-----	1255
Synan, Joseph A., bishop, Pentecostal Holiness Church, Hopewell, Va., to Senator Morse, dated March 23, 1961-----	1218
Talbot, Mary N., secretary, Riverton Teachers Association, Riverton, Kans., telegram to Senator Morse-----	1297
Taylor, A. G., president, Charlottesville-Albemarle Ministerial Association, Charlottesville, Va., to Senator Morse, dated April 2, 1961-----	1207
Thorson, Arne, superintendent, Riverdale Public Schools, Riverdale, N. Dak., to Senator Young, dated March 30, 1961-----	1202
Thurmond, Hon. Strom, a U.S. Senator from South Carolina to Senator Morse, dated March 15, 1961-----	1075
Tuttle, Edward M., School Board Leadership in America, to Senator Morse, dated March 17, 1961-----	1297
van der Haag, Ernest, professor of social philosophy, New York University, to Senator Morse, containing statement-----	1155
Ward, A. Dudley, associate general secretary, General Board of Christian Social Concerns of the Methodist Church, to Senator Hill, dated March 30, 1961-----	1213
Weymouth (Mass.) Teachers Association, telegram to Senator Morse-----	1294
Wheat, Willis J., president, Oklahoma Public Expenditures Council, Oklahoma City, Okla., to Senator Morse, March 9, 1961-----	724
White, Don, executive vice president, National Audio-Visual Association, Inc., Fairfax, Va., to Senator Morse, March 30, 1961-----	1258
Wyrick, Rex R., superintendent, Warrensburg Public Schools, Warrensburg, Mo., to Senator Long, dated March 27, 1961-----	1200
Young, Hon. Milton R., a Senator from the State of North Dakota, to—	
Senator Hill, dated March 28, 1961-----	1200
Senator Morse, dated April 3, 1961-----	1201
Memorandum entitled "Estimated Amount of School Revenue Which Would Be Derived from Federal Property if Taxable by Federally Affected School Districts"-----	415
Memorandum on the constitutional authority of the Congress to enact S. 1021-----	111
Memorandum on the impact of the first amendment to the Constitution upon Federal aid to education-----	113
Memorandum submitted by Dr. William G. Carr, National Education Association-----	192
Memorandum submitted by the Department of Health, Education, and Welfare, entitled "Statement Regarding Method of Allocating Funds Among the States Under Title I of S. 1021"-----	205

Memorandum submitted by Carlisle P. Runge, Assistant Secretary of Defense.....	Page 1320
Official Statement entitled "The Church and the Public Schools," approved by the 169th General Assembly of the Presbyterian Church in the U.S.A.....	1223
Preliminary estimate of annual receipts per State if 2 cents of Federal tax on cigarettes were returned to the States.....	86
Pronouncement entitled "Public Funds for Public Schools," adopted by the National Council of the Churches of Christ..... 475,	1025
Proposed amendment to S. 815, submitted by Senator Metcalf.....	417
Protestants and Other Americans United for Separation of Church and State, rebuttal statement of Msgr. Frederick G. Hochwalt.....	1259
Publication entitled "Some Constitutional Prohibitions Against Financial Aid to Private Schools," by the American Federation of Teachers.....	1261
Release from the Department of Political Science, Washington University, St. Louis, Mo.....	220
Remarks by Senator Cooper in the Senate, January 31, 1961, entitled "Educational Opportunities of 1961".....	591
Remarks of Senator Gruening in the Congressional Record of January 31, 1961, entitled "Federal Action for Education Requested by President Kennedy Is Essential".....	742
Remarks by Senator Morse re President Kennedy's special message entitled "Federal Aid to Education," from the Congressional Record of February 20, 1961.....	40
Resolution adopted by the general assembly of the United Presbyterian Church in the U.S.A., March 9, 1961.....	1096
Resolution adopted by the Orange County, Va., Board of Supervisors.....	1300
Resolutions and legislative policies adopted by the Council of Chief State School Officers annual meeting, Santa Fe, N. Mex., November 18, 1960.....	325
Speech by former Congressman Barden.....	559
Statement regarding legislative background of Public Law 815 and Public Law 874 and evidence of congressional intent as to permanent or temporary nature of these programs.....	396
Statement regarding current needs for Public Law 815 and Public Law 874 compared to the need for these programs when these two laws were enacted.....	418
Statement regarding survey of borrowed-up districts.....	164
Statements analyzing the criticism of Senators Gruening, Metcalf, Engle, and Long of Hawaii.....	754
Summary of proposed amendments to Federal impact area laws..... 31,	100
Survey of teachers' salaries in districts of over 10,000 population, September 1960.....	880

## TABLES AND CHARTS

Table 1. Total of State and local tax collections per \$100 of personal income, 1951.....	54
Table 2. Preliminary estimate of annual receipts per State if 2 cents of the Federal tax on each package of cigarettes were returned to the States, as proposed in S. 293.....	86
Table 3. Estimated allotments to States under S. 1021 (fiscal years 1962-64).....	97
Table 4. Summary of Public Law 874 estimated entitlements, by State, under existing law and proposed amendments.....	104
Table 5. Summary of Public Law 815 estimated entitlements, by State, under existing law.....	105
Table 6. School expenditures per pupil (by State).....	107
Table 7. Personal income per pupil (by State).....	108
Table 7a. Summary table: Survey of public school classroom shortages in the fall of 1951 in borrowed-up districts.....	167
Table 8. Selected characteristics of borrowed-up school districts with classroom shortages: Fall 1951 (by State).....	168
Table 9. Hypothetical effect on salaries of instructional staff if all States used 90 percent of their allotments under S. 1021 to increase salaries of instructional staff, fiscal year 1962.....	174
Table 10. Internal Revenue Service: Cost, tax collections, employees, and U.S. population since 1866.....	195

Table 11. State administration costs of collecting \$100 of sales and use tax revenues, selected States, fiscal year 1955.....	Page 197
Table 12. Federal administration and research expenditures as a percentage of grant expenditures for Federal aid programs to State and local governments, fiscal years 1956-58.....	198
Table 13. Formula change with change in "spreader factor".....	204
Table 14. Nonpublic school enrollment as percent of total enrollment in elementary and secondary schools, 1955-56.....	225
Table 15. Enrollment in full-time public and nonpublic elementary and secondary regular day schools by State, 1957-58.....	226
Table 16. Comparison of estimated allotments for fiscal year 1964 under S. 1021 based on ADA and school age population.....	228
Table 17. Tables showing rankings of the States, 1961 (index, p. 230).....	229-266
Table 18. Level of school completed by persons 25 years old and older and 25 to 29 years old, 1940-59.....	271
Table 19. Lifetime income (earnings) for males in selected age groups by years of school completed, United States, 1939, 1946, 1949, 1956, and 1958.....	272
Table 20. Total expenditures per pupil in ADA 1949-50 and 1959-60 in current and constant prices.....	274
Table 21. Percent of selective service registrants failing the mental test, 1959.....	275
Table 22. Importance of selected characteristics in future determination of low income population.....	276
Table 23. Public school enrollments and related figures, 20 largest cities..	284
Table 24. State and local tax collections per \$100 of personal income 1951..	287
Table 25. Average tax burden per family by level of income, 1958.....	288
Table 26. Taxes as a percentage of total income by source and by income class, calendar 1958.....	289
Table 27. Teachers' salaries and school construction: Approximate allocations under S. 1021 for 1960-61 and 1962-63, estimated expenditures in 1960-61 and allocations under S. 1021 a percent of 1960-61 expenditures.....	290
Table 28. Approximate allocations under S. 1021 for special educational projects (10 percent of state allocation for 1961-62).....	292
Table 29. Graph: Elementary and secondary classrooms constructed 1919-60.....	342
Table 30. How States would fare during fiscal year 1962 net "aid" received versus net "aid" paid.....	344
Table 31. How States would fare during fiscal year 1963 net "aid" versus net "aid" paid.....	345
Table 32. How States would fare during fiscal year 1964 net "aid" versus net "aid" paid out.....	346
Table 33. Graph: Regional per capita personal income as percent of continental United States per capita income.....	347
Table 34. Upward trend in classroom salaries.....	376
Table 35. Teachers' salaries versus school construction needs.....	405-406
Table 36. Number of children counted for payment under sections of Public Law 815, 1950-62.....	422
Table 37. Appropriations for Public Law 815, fiscal years 1951-61.....	422
Table 38. Increase in number of federally connected children in ADA and costs per child in eligible school districts under Public Law 874, fiscal years 1951-62.....	422
Table 39. Number of Federal properties and number of acres claimed by applicants under Public Law 874, as amended, fiscal years 1952-60.....	423
Table 40. Actual and estimated expenditures for national defense, commerce, housing, space technology and natural resources, fiscal years 1959-62.....	423
Table 41. Vote of Southern States on Powell amendment and on final passage of school construction amendment.....	428
Table 42. Tables relating to local contribution rate under Public Law 815 and Public Law 874, Montana School Districts.....	570-575
Table 43. Educational expenditures and enrollment, 1940-60.....	590
Table 44. Expenditures for education as percent of national income, 1890-1960.....	590
Table 45. Educational expenditures, corporate net profits, and national income, 1929 and 1959.....	591
Table 46. Cooper bill: Estimated State allotments per child.....	596

	Page
Table 47. Cooper Bill: Estimated State allotments 1st through 4th year..	597
Table 48. State comparison, income, public school pupils and current expenditures.....	598
Table 49. Public school revenues as a percentage of national income (1945-61).....	620, 650
Table 50. 1960 bond elections, elementary and secondary schools, by State.....	630
Table 51. Failures in Armed Forces tests and school expenditures.....	641
Table 52. Employment in public education and in private industries, 1929 and 1959.....	656
Table 53. Enrollment and teachers in public schools, 1900 and 1961.....	656
Table 54. Enrollment and teachers in the public schools 1953-54 and 1960-61.....	656
Table 55. Number of earned college degrees 1958-59, 1968-69.....	657
Table 56. Earnings of teachers and other groups, 1929 and 1959.....	657
Table 57. Educational expenditures and enrollment, 1940-61 (public and nonpublic, elementary, secondary and higher).....	658
Table 58. Expenditures for education as a percentage of national income, 1890-1961 (all levels, public and private).....	658
Table 59. School revenues and State support in selected years, 1890-1960..	659
Table 60. Sources of school revenues, 1959-60.....	660
Table 61. Federal grants in aid to State and local governments, in selected years, 1922-60.....	660
Table 62. Rates of increase in Federal and State-local revenues in peacetime periods, 1902-59.....	661
Table 63. Sources of public school revenue in 1958.....	662
Table 64. Tax collections in the United States 1932, 1940, 1959.....	663
Table 65. Increase in tax collections (National, State, local) 1944-59.....	664
Table 66. Summary of effects of Public Law 874, New York State, 1960..	718
Table 67. Comparable data concerning public schools of Oklahoma 1909-10 to 1960-61.....	726
Table 68. Sources of revenue and amount collected from each source by the common schools of Oklahoma for fiscal years 1951-60.....	727
Table 69. School expenditures by "poor" States.....	729
Table 70. Comparison of State allotments under School Assistance Act of 1961 (S. 1021) and amendments proposed by Senator Ernest Gruening..	738
Table 71. State allotment ratios under amendment proposed, School Assistance Act of 1961.....	739
Table 72. Data for estimating unadjusted State allotments under amendments proposed to the School Assistance Act of 1961.....	740
Table 73. Data for estimating adjusted State allocation under amendments proposed by Senator Ernest Gruening to the School Assistance Act of 1961.....	741
Table 74. December average retail prices of 40 items in 9 Alaska cities, compared with Seattle and the United States.....	749
Table 75. Assistance for payments to school districts, federally affected areas, Public Law 874, as amended, fiscal year 1962.....	757
Table 76. Assistance for school construction, federally affected areas, Public Law 815, as amended, fiscal year 1962.....	758
Table 77. Difference in total estimated requirements, with percentage reduction factor for payments to school districts (Public Law 874) and construction grants (Public Law 815) under laws presently in effect extended without amendments, and total estimated requirements (Public Laws 815 and 874) under proposed extension with amendments, S. 1021 and H.R. 4970, fiscal year 1962.....	759
Table 78. Comparison of estimated reductions under titles II and III with increases under title I of S. 1021, by States, fiscal year 1962.....	760
Table 79. Estimated allotment under S. 1021 and proposed amendment (Gruening).....	765
Table 80. Allotment under S. 1021, with alternate minimum grant based on current expenditure per pupil, fiscal year 1962.....	766
Table 81. Assistance for school construction, federally affected areas, Public Law 815, as amended, fiscal year 1962 (by State).....	778
Table 82. Assistance for payments to school districts, federally affected areas, Public Law 874, as amended, fiscal year 1962.....	779
Table 83. Estimated allotments to States under the proposed administration School Assistance Act of 1961, fiscal years 1962, 1963, and 1964..	780

Table 84. The effect of a 50-percent reduction of payment for B category children in section 3(b) of Public Law 874 on applicant districts in California (based on 1959-60 data).....	Page 795-803
Table 85. The effect of eliminating B category children from section 3(b) of Public Law 874 on applicant districts in California (based on 1959-60 data).....	804
Table 86. Summary by counties of average daily attendance reported by applicants under Public Law 874, 1958-59.....	805
Table 87. San Diego Unified School District, summary of federally connected pupils under Public Law 874.....	806
Table 88. Growth of average daily attendance of federally connected pupils and total Statewide average daily attendance 1950-51-1959-60.....	806
Table 89. San Diego Unified School District: Summary of Federal properties listed on RSF-1, 1960-61.....	806
Table 90. Loss to selected States, effect of section 3(b) amendments, Public Law 874.....	814
Table 91. Summary of entitlements to Michigan school districts under Public Laws 815 and 874 for the years 1950 through 1960.....	829
Table 92. Analysis of receipts and expenditures of the Michigan public schools.....	831-855
Table 93. Family incomes after Federal income taxes.....	883
Table 94. State and local tax burden of selected taxes, family of four, \$5,000 income.....	884
Table 95. Summary of general wage changes, 1959.....	886
Table 96. Fringe benefits for teachers.....	889
Table 97. Summary of minimum wage laws for certificated teachers.....	891
Table 98. Salary schedules in cities over 400,000, September 1960.....	895
Table 99. Salary schedules of teachers in cities over 10,000 population, September 1960.....	896
Table 100. Analysis of Public Law 874 eligibility in the State of Washington including potential loss if proposed amendments are approved (1961-62 estimate). Summary by congressional districts.....	1071
Table 101. Effect of titles II and III amendments on selected Connecticut towns.....	1073
Table 102. Percent of Federal impact, 1951-61, selected counties, Utah.....	1145
Table 103. Elementary and secondary school bonds sold, 1960.....	1154
Table 104. Enrollment and teachers in the public schools 1900-61.....	1172
Table 105. College degrees and college graduate teachers, 1957-58 and 1968-69.....	1173
Table 106. Increase in public school enrollment for preceding year and graduation of new teachers, 1958-59 and 1969-70.....	1173
Table 107. State of Alaska: Assistance to school districts, impacted areas, fiscal year 1962.....	1181
Table 108. Estimated State per pupil cost of constructing minimum school facilities, 1959.....	1182
Table 109. Comparison of State allotments under School Assistance Act of 1961 (S. 1021) and amendments proposed by Senator Gruening.....	1188
Table 110. State allotment ratios under Gruening amendments to S. 1021.....	1189
Table 111. Data for estimating unadjusted State allotments under proposed Gruening amendments to S. 1021.....	1190
Table 112. Data for estimating adjusted State allocations under amendments proposed by Senator Gruening to S. 1021.....	1191
Table 113. Current expenditures by purpose, per pupil expenditures, and average salaries of instructional staff in full time public elementary and secondary day schools, by State: 1957-58.....	1192
Table 114. Income tables, Alaska income and population, 1950-59.....	1195
Table 115. Personal income: Major sources, by States, 1957.....	1196
Table 116. Comparison of total appropriations for the District of Columbia with the total appropriations for public schools, 1949-60.....	1283
Table 117. Trends in population in 20 largest cities and related metropolitan areas.....	1284
Table 118. Effective buying income, 20 largest cities.....	1285
Table 119. Effective buying income per capita, 20 largest cities.....	1285
Table 120. Retail sales, 20 largest cities.....	1286
Table 121. Retail sales per capita, 20 largest cities.....	1286
Table 122. Public school enrollments and related figures, 20 largest cities.....	1287



Table 123. Employment opportunities in various occupational groups and educational level.....	Page 1307
Table 124. Effect of reduced percentage payments to Idaho Public Law 874 applicants for 3b1 and 3b2 students as proposed in S. 1021.....	1315
Table 125. Number and percent of eligible applicants in fiscal year 1959 by proportion of Federal payments (Public Law 874) to total current expenditures of the applicant district.....	1319
Table 126. Information regarding number of federally connected children in and Federal payments under Public Law 874 to Arlington County, Va.....	1320
Table 127. Information regarding total attendance, total operating costs, and costs per pupil attendance of federally connected children and Federal entitlement under Public Law 874 and the percentage of total operating costs from Federal funds under Public Law 874 by State for the 1959 fiscal year.....	1324-1325
Table 128. Public Law 874 applicant school districts eligible in fiscal year 1960 that would have been ineligible if the minimum eligibility requirements had been 4-, 5-, or 6-percent accumulative totals, by State.....	1326-1327
Table 129. Reduction in number of eligible districts, eligible attendance, and entitlement if 4-percent eligibility requirement had been in effect during 1960, by State.....	1328-1329
Fall 1960 statistics on enrollment, teachers, and schoolhousing in full-time public elementary and secondary day schools, by States (table)....	Facing 298



# PUBLIC SCHOOL ASSISTANCE ACT OF 1961

---

WEDNESDAY, MARCH 8, 1961

U.S. SENATE,  
COMMITTEE ON LABOR AND PUBLIC WELFARE,  
SUBCOMMITTEE ON EDUCATION,  
*Washington, D.C.*

The subcommittee met, pursuant to call, in room 1202, New Senate Office Building, at 9:30 a.m., Senator Wayne Morse (chairman) presiding.

Present: Senators Morse (presiding), Hill, McNamara, Yarborough, Clark, Randolph, Javits, and Goldwater, members of the subcommittee; and Dirksen, member of the full committee.

Also present: Senators Fulbright and Cotton.

Committee staff members present: Stewart E. McClure, chief clerk; John S. Forsythe, general counsel; Charles Lee, professional staff member of the subcommittee; Michael Bernstein, minority counsel; Raymond Hurley and John Stringer, associate minority counsels.

Senator MORSE. The subcommittee will come to order.

The Chair wishes to express his appreciation to each of the witnesses who will appear in the course of the hearings upon this subject of vital importance for the future well-being of our country. What each witness brings to the subcommittee contributes materially to the deliberations which we, with our colleagues, will carry on in the weeks immediately ahead, as the Federal aid to education legislation moves on its course through the Senate.

The Chair also wishes to express its appreciation to the members of the subcommittee who are sitting with him this morning. In particular he wishes to announce that he speaks for the distinguished Senator from the great State of West Virginia, who has a deep and abiding interest in the legislation under discussion this morning, but who, through unavoidable commitments made long in advance of the hearing date, cannot be with us. Senator Jennings Randolph will be able in subsequent days to participate in the hearings, but this morning he must be in Atlantic City at the American Road Builders Congress in connection with the duties imposed upon him by his service on other committee and subcommittee assignments of the Senate.

## BILLS UNDER CONSIDERATION

The hearings this morning are upon the following bills:

S. 8, introduced by Senator McNamara, for himself and Senator Hart.

S. 57, introduced by Senator Goldwater.

S. 293, introduced by Senator Cotton.

S. 433, introduced by Senator Dirksen.

S. 723, introduced by Senator Cooper, for himself and Senators Javits, Aiken, Fulbright, Anderson, Kuchel, Fong, and Wiley.

S. 991, introduced by Senator Dirksen for Senator Goldwater.

S. 1021, the administration bill, introduced by the chairman of the subcommittee for himself and Senators Humphrey, Long of Hawaii, Long of Missouri, Pell, Randolph, Jackson, Clark, McNamara, Neuberger, Moss, Metcalf, Chavez, Williams of New Jersey, Byrd of West Virginia, Fulbright, Burdick, Magnuson, Muskie, Church, McGee, and Yarborough. Senator Douglas has also asked, at the next printing of the bill, to have his name added as a cosponsor.

S. 1078, introduced by Senator Engle.

S. 1109, introduced by Senator Kuchel and Senators Butler and Blakley.

The Chair directs the reporter at this point to insert into the hearing record copies of the bills together with such departmental reports as appertain to each bill. The reports not yet secured by the committee will be inserted by the staff in the printed hearings upon receipt.

(The bills and departmental reports follow:)

[S. S. 87th Cong., 1st sess.]

**A BILL** To authorize Federal financial assistance for school construction and teachers' salaries

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SHORT TITLE

**SECTION 1.** This Act may be cited as the "School Assistance Act of 1961".

#### DECLARATION OF PURPOSE

**SEC. 2.** It is the purpose of this Act to authorize a two-year program of Federal grants to the States to provide assistance in the construction of urgently needed public elementary and secondary school facilities in local communities and for teachers' salaries.

#### ASSURANCE AGAINST FEDERAL INTERFERENCE IN SCHOOLS

**SEC. 3.** In the administration of this Act, no department, agency, officer, or employee of the United States shall exercise any direction, supervision, or control over the policy determination, personnel, curriculum, program of instruction, or the administration or operation of any school or school system.

#### AUTHORIZATION OF APPROPRIATIONS

**SEC. 4.** There is hereby authorized to be appropriated for the fiscal year beginning July 1, 1961, and for the next fiscal year, an amount equal to \$20 times a number equal to the school-age population of the United States, as defined in section 5(b)(4), for the purpose of making payments to State educational agencies to provide assistance in the construction of urgently needed public elementary and secondary school facilities in local communities and for teachers' salaries under this Act.

#### ALLOTMENTS AND PAYMENTS TO STATES

**SEC. 5. (a)** The sums appropriated pursuant to section 4 shall be allotted among the States on the basis of the income per child of school age, the school-age population, and effort for school purposes of the respective States. Subject to the provisions of section 6, such allotments shall be made as follows: The Commissioner shall allot to each State for each fiscal year an amount which

bears the same ratio to the sums appropriated pursuant to section 4 for such year as the product of—

(1) the school-age population of the State, and

(2) the State's allotment ratio (as determined under subsection (b))

bears to the sum of the corresponding products for all the States.

(b) For purposes of this Act—

(1) The "allotment ratio" for any State shall be 1.00 less the product of (A) .50 and (B) the quotient obtained by dividing the income per child of school age for the State by the income per child of school age for all the States (exclusive of Puerto Rico, Guam, and the Virgin Islands), except that (A) the allotment ratio shall in no case be less than .25 or more than .75, and (B) the allotment ratio for Puerto Rico, Guam, and the Virgin Islands shall be .75.

(2) The allotment ratios shall be promulgated by the Commissioner as soon as possible after the enactment of this Act on the basis of the average of the incomes per child of school age for the States and for all the States (exclusive of Puerto Rico, Guam, and the Virgin Islands) for the three most recent consecutive years for which satisfactory data are available from the Department of Commerce. Such promulgation shall be conclusive for purposes of this Act.

(3) The term "child of school age" means a member of the population between the ages of five and seventeen, both inclusive.

(4) The term "school-age population" means that part of the population which is between the ages of five and seventeen, both inclusive, and such school-age population for the several States shall be determined by the Commissioner on the basis of the population between such ages for the most recent year for which satisfactory data are available from the Department of Commerce.

(5) The term "income per child of school age" for any State or for all the States means the total personal income for the State and for all the States (exclusive of Puerto Rico, Guam, and the Virgin Islands), respectively, divided by the number of children of school age (in the State and in all such States, respectively).

(c) As soon as possible after amounts appropriated under section 4 become available for payment, the Commissioner shall pay to each State, which has complied with the provisions of section 7 for the year with respect to which such payment is to be made, the amount allotted to it pursuant to subsection (a) of this section, as adjusted by the application of the provisions of section 6.

#### MAINTENANCE OF STATE AND LOCAL SUPPORT FOR SCHOOL FINANCING

SEC. 6. (a) The allotment of any State under section 5 shall be reduced by the percentage (if any) by which its State school effort index for such year is less than the national school effort index for such year, with the exception that during the first year that allotments are made under this Act this provision shall not be applicable. The total of such reductions shall be reallocated among the remaining States by proportionately increasing their allotments under section 5 for such year.

(b) For purposes of subsection (a)—

(1) The "State school effort index" for any State for a fiscal year is the quotient obtained by dividing (A) the State's school expenditures per public school child by (B) the income per child of school age for the State; except that the State school effort index shall be deemed to be equal to the national school effort index in the case of (i) Puerto Rico, the Virgin Islands, Guam, and the District of Columbia, and (ii) any State for which the school expenditures per public school child are not less than the school expenditures per public school child for all the States;

(2) The "national school effort index" for any fiscal year is the quotient obtained by dividing (A) the school expenditures per public school child for all the States (exclusive of Puerto Rico, Guam, the Virgin Islands, and the District of Columbia) by (B) the income per child of school age for all such States.

(c)(1) The school expenditures per public school child for any State for purposes of determining its State school effort index for any fiscal year means the quotient obtained by dividing (A) the total expenditures by the State and subdivisions thereof for elementary and secondary education made from funds derived from State and local sources in the State, as determined by the Commissioner on the basis of data for the most recent school year for which satisfactory data for the several States are available to him, by (B) the number of children in average daily attendance in public elementary and secondary schools

in such State, as determined by the Commissioner for such most recently school year.

(2) The school expenditures per public school child for all the States for purposes of determining the national school effort index for any fiscal year means the quotient obtained by dividing (A) the total expenditures by all the States (exclusive of Puerto Rico, Guam, the Virgin Islands, and the District of Columbia) and subdivisions thereof for elementary and secondary education made from funds derived from State and local sources, as determined by the Commissioner for the same school year is used under paragraph (1), by (B) the number of children in average daily attendance for such year in public elementary and secondary schools in all such States, determined as provided in paragraph (1).

(3) The income per child of school age for any State and for all the States shall, for purposes of subsection (b), be determined by the Commissioner on the basis of the incomes per child of school age for the most recent year for which satisfactory data are available from the Department of Commerce.

#### STATE APPLICATIONS

SEC. 7. The State education agency of each State which desires to receive an allotment and payment under this Act shall submit an application to the Commissioner which—

(a) provides assurance that the State education agency shall be the sole agency for administering the funds received under this Act;

(b) sets forth procedures to insure that funds will be allocated among school facilities construction projects within the State so that priority is given to local education agencies which, in the judgment of the State education agency, have the greatest need for additional school facilities and which are least able to finance the cost of needed school facilities;

(c) provides assurance that every applicant, whose application for funds received under this Act for a construction project is denied, will be given an opportunity for a hearing before the State education agency;

(d) sets forth procedures for such fiscal control as may be necessary to assure proper disbursement of funds paid to the State under this Act;

(e) specifies the proportion of its State allotment that will be expended for (1) the construction of school facilities and (2) for teachers' salaries; and

(f) certifies that funds the State education agency specifies for teachers' salaries will be distributed among the local education agencies of the State to be expended solely for teachers' salaries in accordance with this Act. In the case of any State in which a State agency has exclusive responsibility for the financing of the construction of school facilities, the Commissioner may modify or make inapplicable any of the foregoing provisions of this section with respect to the funds specified for school construction to the extent he deems such action appropriate in the light of the special governmental or school organization of such State.

#### MATCHING BY STATES AND LOCAL COMMUNITIES

SEC. 8. (a) After the first year that allotments are made under this Act, a State in order to receive its allotment for the following year must have matched the Federal funds the State received under the Act in the previous year by having increased its expenditures for elementary and secondary education by an amount that is not less than the product of (A) the State's share and (B) the expenditures for elementary and secondary education from State and local sources in the base school year 1960-1961: *Provided*, That the State allotment shall be reduced by an amount equal to the sum by which the State fails to match the prescribed amount set forth in this section. The total of such reduction shall be reallocated among the remaining States by proportionately increasing their allotments under section 5.

(b) The "State's share" for a State shall be 5 per centum of the remainder of 1.00 less the State's allotment ratio as computed under section 5 except that in no case shall the State's allotment ratio be less than  $0.33\frac{1}{3}$  or more than  $0.66\frac{2}{3}$ .

(c) For the purposes of this section expenditures for elementary and secondary education for any year means the total expenditures for public elementary and secondary schools by the State and subdivisions thereof made from funds

derived from State and local sources in the State, as determined by the Commissioner on the basis of data supplied to him by the State education agencies.

(d) A State shall be considered to have matched its Federal funds in any year in which its school-age population is less than its school-age population in the base school year 1960-1961.

(e) If for any reason a State should fail to receive funds under this Act in any given year, for the purposes of the matching provisions contained in subsection (a), the State will be considered to have received Federal funds under this Act in that year.

#### PERIOD FOR USE OF FUNDS AND CERTIFICATION BY STATES

SEC. 9. (a) Upon receipt by the State, funds paid under this Act for any fiscal year shall thereafter be deemed to be State funds to be distributed and expended in accordance with the provisions of this Act not later than the end of the fiscal year following such fiscal year for which such funds were distributed.

(b) The State education agency of each State receiving funds under this Act shall, prior to the termination of such following fiscal year, (1) certify the amount of such funds received by such State which have been so distributed and expended, and (2) pay to the Commissioner any amount of such funds which have not been so expended.

(c) Any funds paid to the Commissioner under the provisions of this section shall be reallocated and paid to the States under the provisions of this Act during the fiscal year following that in which such funds were so paid to the Commissioner.

#### LABOR STANDARDS

SEC. 10. (a) The State education agency of each State which receives funds under this Act shall give adequate assurance to the Commissioner that all laborers and mechanics employed by contractors or subcontractors in the performance of work on school construction financed in whole or in part under this Act will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5).

(b) With respect to the labor standards specified in subsection (a) of this section the Secretary of Labor shall act in accordance with Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

#### DEFINITIONS

SEC. 11. For purposes of this Act—

(a) The term "Commissioner" means the (United States) Commissioner of Education.

(b) The term "State" includes Puerto Rico, Guam, the Virgin Islands, and the District of Columbia.

(c) The term "State education agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if different, the officer or agency primarily responsible for State construction or supervision of construction of such schools, whichever may be designated by the Governor or by State law.

(d) The term "local education agency" means a board of education or other legally constituted local school authority having administrative control and direction of free public education in a city, county, township, school district, or political subdivision in a State; except that, in any State in which a State agency has exclusive responsibility for the financing of the construction of school facilities, it means such State agency. If a separate public authority has responsibility for the provision or maintenance of school facilities for any local educational agency or the financing of the construction thereof, such term includes such other authority.

(e) The term "school facilities" means classrooms and related facilities (including furniture, instructional materials other than textbooks, equipment, machinery, and utilities necessary or appropriate for school purposes) for education which is provided by a school district for elementary or secondary education, in the applicable State, at public expense and under public supervision and direction; and interests in land (including site, grading and improvement) on which such facilities are constructed. Such term does not include athletic stadiums, or structures, or facilities intended primarily for events, such

as athletic exhibitions, contests, or games, for which admission is to be charged to the general public.

(f) The terms "construct", "constructing", and "construction" include the preparation of drawings and specifications for school facilities; erecting, building, acquiring, altering, remodeling, improving, or extending school facilities; and the inspection and supervision of the construction of school facilities.

(g) The term "teacher" means any member of the instructional staff of a public elementary or secondary school as defined by the State education agency of each State.

(h) The term "teachers' salaries" means the monetary compensation paid to teachers for services rendered in connection with their employment.

---

[S. 57, 87th Cong., 1st sess.]

A BILL To amend Public Laws 815 and 874, Eighty-first Congress, relating to school assistance in federally affected areas, so as to limit payments under such laws to situations involving tax-exempt Federal property

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That this Act may be cited as the "Federally Affected Areas School Assistance Amendments of 1961".

## TITLE I—AMENDMENTS TO PUBLIC LAW 874

### EMPLOYMENT ON FEDERAL PROPERTY

SEC. 101. (a) The first sentence of subsection (b) of section 3 of the Act of September 30, 1950, as amended (20 U.S.C. 238), relating to the determination of the number of children residing on Federal property or residing with a parent employed on Federal property, is amended by striking out "who, while in attendance at such schools, either resided on Federal property, or resided with a parent employed on Federal property situated in whole or in part in the same State as such agency or situated within a reasonable commuting distance from the school district of such agency" and inserting in lieu thereof "who, while in attendance at such schools, (1) resided on Federal property, or (2) resided with a parent employed on Federal property situated in whole or in part in the school district of such agency, or (3) resided with a parent employed on Federal property (A) all of which is situated outside of the school district of such agency and (B) all or part of which is situated within the same State as such school district or within reasonable commuting distance from such school district".

(b) Clause (B) of paragraph (1) of subsection (c) of such section, relating to computation of the amount of entitlement, is amended to read: "(B) the sum of the number of children determined under subsection (a), 50 per centum of the number of children determined under clause (1) of subsection (b), 40 per centum of the number of children determined under clause (2) of such subsection, and 25 per centum of the number of children determined under clause (3) of such subsection".

### DISTRICTS WHICH CEASE TO MEET ELIGIBILITY REQUIREMENTS

SEC. 102. Clause (B) of paragraph (2) of such subsection (c) is amended by striking out ", except that such 3 per centum requirement need not be met by such agency for any period of two fiscal years which follows a fiscal year during which such agency met such requirement and was entitled to payment under the provisions of this section, but the payment, under the provisions of this section to such agency for the second fiscal year of any such two-year period during which such requirement is not met, shall be reduced by 50 per centum of the amount thereof".

### SUDDEN AND SUBSTANTIAL INCREASES IN ATTENDANCE

SEC. 103. (a) Section 4 of such Act (20 U.S.C. 239), relating to sudden and substantial increases in school attendance as a result of activities of the United States, is repealed.

(b) Clause (A) of section 3(c)(4) of such Act is amended by striking out "(including funds available under section 4 of this Act)".

(c) Subsection (a) of section 5 of such Act (20 U.S.C. 240), relating to the method of making payments, is amended by striking out "section 2, 3, or 4" and inserting in lieu thereof "section 2 or 3".

(d) Subsection (c) of such section is amended by striking out "sections 2, 3, and 4(a)" and inserting in lieu thereof "sections 2 and 3".

#### FEDERAL PROPERTY LEASED TO PRIVATE PERSONS

SEC. 104. (a) The first two sentences of paragraph (1) of section 9 of such Act (20 U.S.C. 244), relating to the definition of "Federal property", are amended to read: "The term 'Federal property' means real property which is owned by the United States and from which no State, political subdivision of a State, or the District of Columbia could, because of the immunity of the property from taxation under the Constitution and laws of the United States, derive tax revenues on substantially its full value, by a tax imposed either with respect to the property or with respect to any use thereof or interest therein."

(b) The third sentence of such paragraph is amended by inserting "and" before "(B)" and by striking out ", and (C) any school which is providing flight training to members of the Air Force under contractual arrangements with the Department of the Air Force at an airport which is owned by a State or a political subdivision of a State".

(c) Section 2(b)(1) of such Act is amended by striking out "and property taxes paid with respect to Federal property, whether or not such taxes are paid by the United States,".

### TITLE II—AMENDMENTS TO PUBLIC LAW 815

#### EMPLOYMENT ON FEDERAL PROPERTY

SEC. 201. (a) Paragraph (2) of section 5(a) of the Act of September 23, 1950, as amended (20 U.S.C. 635), relating to the determination of the number of children residing on Federal property or residing with a parent employed on Federal property for purposes of the limitation on the total of the payments to any local educational agency, is amended by striking out the matter preceding the period and inserting in lieu thereof:

"(2)(A) the estimated increase, since the base year, in the number of children residing on Federal property, multiplied by 50 per centum of the average per pupil cost of constructing minimum school facilities in the State in which the school district of such agency is located; (B) the estimated increase, since the base year, in the number of children residing with a parent employed on Federal property situated in whole or in part in the school district of such agency, multiplied by 40 per centum of such average per pupil cost; and (C) the estimated increase, since the base year, in the number of children residing with a parent employed on Federal property situated (i) completely outside the school district of such agency but (ii) in whole or in part in the same State as such school district or within reasonable commuting distance from such school district, multiplied by 25 per centum of such average per pupil cost".

(b) Section 5(b) of such Act is amended by striking out "two or more" and inserting in lieu thereof "both", and by striking out "paragraph (2)" and inserting in lieu thereof "clause (A), (B), or (C) of paragraph (2)".

#### SUDDEN AND SUBSTANTIAL INCREASES IN ATTENDANCE

SEC. 202. (a) Section 5(a) of such Act is amended by striking out "; and" at the end of paragraph (2) and inserting in lieu thereof a period and by striking out paragraph (3) thereof.

(b) The first sentence of section 3 of such Act (20 U.S.C. 633), relating to the dates of filing applications, is amended by striking out "paragraphs (2) or (3) of section 5(a)" and inserting in lieu thereof "paragraph (2) of section 5(a)".

(c) The last sentence of section 5(a) of such Act is amended by striking out "paragraph (1), (2), or (3)" and inserting in lieu thereof "paragraph (1), or clause (A), (B), or (C) of paragraph (2)" and by adding "or clause" after "such paragraph".

(d) Section 5(c) of such Act is amended by striking out "paragraph (1), (2), or (3) of subsection (a) unless the increase in children referred to in



such paragraph" and inserting in lieu thereof "paragraph (1) or (2) of subsection (a) unless the increase in children referred to in such paragraph (1), or the sum of the increases referred to in such paragraph (2), as the case may be", by striking out "in the case of paragraph (1) or (2), or 10 per centum in the case of paragraph (3).", and by striking out ", and unless, in the case of paragraph (3), the construction of additional minimum school facilities for the number of children in such increase will, in the judgment of the Commissioner, impose an undue financial burden on the taxing and borrowing authority of such agency".

(e) Section 5(f) of such Act is amended by striking out "paragraph (1), (2), or (3)" and inserting in lieu thereof "paragraph (1), or clause (A), (B), or (C) of paragraph (2)", by striking out "such paragraph" in clauses (3) and (4) and inserting in lieu thereof "such paragraph or clause", and by adding at the end thereof the following new sentence: "For purposes of clause (4) of the preceding sentence, in cases in which the increase period or base year referred to in such clause (4) occurred prior to July 1, 1960, the number of children therein referred to who come within paragraph (2) of subsection (a) shall be divided, with respect to such increase period or base year occurring prior to such date, into the number of such children described in clause (A), the number of such children described in clause (B), and the number of such children described in clause (C), of such paragraph (2)."

(f) Paragraph (15) of section 15 of such Act (20 U.S.C. 645), relating to the definition of "base year", is amended by striking out "paragraph (2) or (3)" and inserting in lieu thereof "paragraph (2)"

#### ADDITIONAL FEDERAL PAYMENTS

SEC. 203. Section 8 of such Act (20 U.S.C. 638), relating to additional Federal payments in unusual cases, is repealed.

#### FEDERAL PROPERTY LEASED TO PRIVATE PERSONS

SEC. 204. (a) The first two sentences of paragraph (1) of section 15 of such Act, relating to the definition of "Federal property", are amended to read: "The term 'Federal property' means real property which is owned by the United States and from which no State, political subdivision of a State, or the District of Columbia could, because of the immunity of the property from taxation under the Constitution and laws of the United States, derive tax revenues on substantially its full value, by a tax imposed either with respect to the property or with respect to any use thereof or interest therein."

(b) The third sentence of such paragraph is amended by striking out "(A)" and by striking out ", and (B) any school which is providing flight training to members of the Air Force under contractual arrangements with the Department of the Air Force at an airport which is owned by a State or a political subdivision of a State".

#### TECHNICAL AMENDMENT OF JUDICIAL REVIEW

SEC. 205. Section 11(b) of such Act is amended by adding at the end thereof the following new sentences: "The local educational agency affected may file with the court a petition to review such action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner, or any officer designated by him for that purpose. Upon the filing of the petition the court shall have jurisdiction to affirm or set aside the action of the Commissioner in whole or in part." Section 32 of the Act of August 28, 1958 (Public Law 85-791), is repealed.

### TITLE III—MISCELLANEOUS

#### EFFECTIVE DATE

SEC. 301. The amendments made by this Act, other than section 205, shall be effective for the period beginning July 1, 1961.

#### TRANSITION PROVISION

SEC. 302. If the amount to which a local educational agency is entitled under section 3 of the Act of September 30, 1950, as amended by this Act, for the fiscal



year ending June 30, 1962, is less than the amount to which such agency was entitled under such section 3 (after application of section 4(c), as in effect prior to such amendments, for the year ending June 30, 1961, and the difference between the two amounts exceeds 3 per centum of the current expenditures, as defined in such Act of September 30, 1950, of such agency for the school year 1960-1961, the amount to which such agency is entitled under such section 3, as so amended, for the fiscal year ending June 30, 1962, shall be increased by the amount of such excess.

---

[S. 293, 87th Cong., 1st sess.]

A BILL To strengthen State governments, to provide financial assistance to States for educational purposes by returning a portion of the Federal taxes collected therein, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) the Congress hereby finds and declares that responsibility for and control over education is one of the powers not delegated to the United States but reserved to the States or to the people under the tenth amendment to the Constitution.

(b) The Congress hereby reaffirms and reenacts a portion of article III of the Ordinance of 1787, adopted by the Confederation Congress, July 13, 1787, as follows: "Religion, morality, and knowledge being necessary to good government and the happiness of mankind, schools and the means of education shall forever be encouraged."

(c) The Congress further finds that continued encouragement of the means of education requires the strengthening of State governments.

SEC. 2. (a) There is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated for the fiscal year beginning July 1, 1961, and for each fiscal year thereafter, to each State, to be used by such State for educational purposes only, an amount equal to 25 per centum of the Federal tax on cigarettes (computed as provided in this Act) collected on cigarettes sold within such State during the preceding fiscal year.

(b) The Secretary of the Treasury shall, on or before October 1, 1961, and on or before October 1 of each succeeding year, pay to each State the amount authorized to be appropriated to such State pursuant to subsection (a) of this section. For the purpose of determining the amount of payments under the provisions of this section, the Secretary of the Treasury shall estimate the number of cigarettes sold in each State in each fiscal year on the basis of such statistics as may be available.

(c) For the purposes of this section the term "State" includes the District of Columbia.

---

[S. 433, 87th Cong., 1st sess.]

A BILL To authorize Federal financial assistance for school construction

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### TITLE

SECTION 1. This Act may be cited as the "School Construction Assistance Act of 1961".

#### PURPOSE OF ACT

SEC. 2. It is the purpose of this Act to authorize Federal financial assistance in the construction of urgently needed public elementary and secondary school classrooms.

#### LOCAL RESPONSIBILITY AND AUTHORITY

SEC. 3. Any assistance rendered under provisions of this Act shall not relieve the States and local communities from the primary responsibility for financing the costs of public school facilities, including classrooms, or be a means by which any department, agency, officer, or employee of the United States shall exercise, directly or indirectly, any direction, supervision, or control over the policies, personnel, curriculum, program of instruction, administration or operation of any school in any community receiving assistance under this Act except with respect to the conditions set forth in section 6.

## AUTHORIZATION OF APPROPRIATIONS

SEC. 4. There is hereby authorized to be appropriated \$250,000,000 for the fiscal year ending June 30, 1961, and for each of the three succeeding years for the purpose of carrying out the provisions of this Act. Amounts appropriated under the authorization of this section shall remain available until the first day of the third fiscal year following the fiscal year for which the appropriation was made.

## ALLOCATION TO STATES

SEC. 5. Within sixty days after the effective date of this Act, the Commissioner shall notify the Governor of each State of the amount of assistance to which such State is entitled, which shall be an amount which bears the same ratio to the aggregate of amounts authorized in section 4 that the number of children under age fourteen in that State bears to the total number of children under age fourteen in the United States, as determined by the 1960 census.

## REPORTS BY STATES

SEC. 6. Each State desiring assistance under the provisions of this Act shall—

(a) Within one year from the effective date of this Act, submit to the Commissioner for approval a report—

(1) showing for each classroom construction project for which the State desires assistance—

(A) the number of classrooms to be constructed by the project ;

(B) its cost ;

(C) the size and character of the community in which it is to be located ;

(D) the reason or reasons why the classrooms could not be constructed without assistance under this Act ;

(E) a description of any other school facilities constructed by or for the community receiving assistance during the ten years preceding the filing of the report, or under construction, the cost of each and the source and amount of the funds expended or financing in connection therewith ;

(2) stating the manner in which the particular projects were selected by the State for assistance ;

(3) certifying that—

(A) the communities receiving assistance are those having the greatest need for classrooms and the least ability to finance their construction ;

(B) procedures will be adopted for such fiscal controls as may be necessary to assure the proper disbursement of funds paid to the State under the provisions of this Act ;

(C) assistance under the provisions of this Act will not exceed one half the actual total cost of each classroom construction project ;

(D) the assistance provided under this Act will be used only for the construction of classrooms ;

(E) not more than 25 per centum of the total funds obligated or expended for the construction of school facilities by each community receiving assistance will be used for the construction of school facilities other than classrooms for a period of ten years from the date of the report unless any such assistance received by such a community shall be first repaid ;

(F) the classrooms constructed with assistance provided by this Act will be available to all students as required by law ; and

(4) stating the aggregate amount of assistance requested by the State (which shall not exceed the amount allocated to the State under the provisions of section 5) and requesting the portion of such amount expected to be expended prior to the end of the next Federal fiscal year.

(b) Annually after the report submitted as required by subsection 6(a), and at such other times as the Commissioner may direct, until the completion of all projects in that State, submit to the Commissioner for approval a report certifying—

(1) the progress of each classroom construction project ;

(2) the funds disbursed in connection with each such project (including any assistance under this Act), stating the source of such funds and the amount of funds from each source;

(3) that not more than 25 per centum of all funds obligated or expended by each community receiving assistance under the provisions of this Act for the construction of school facilities has been used for the construction of school facilities other than classrooms;

(4) the portion of the State's allocation expected to be expended prior to the end of the next Federal fiscal year (after deducting any amounts previously requested under the provisions of this Act and remaining undisbursed) which shall constitute a request for such amount; and

(5) any other information reasonably requested by the Commissioner.

#### PAYMENTS TO STATES

SEC. 7. The Commissioner shall pay to each State as it complies with the requirements of sections 6 (a) and (b) the portions of the financial assistance requested by such State in such reports, upon his approval of such reports, and such funds shall thereafter be deemed to be State funds to be distributed and expended in accordance with the provisions of this Act. The Commissioner may, upon reasonable grounds, refuse to approve any such report and any funds requested therein shall be deducted from the total amount authorized in section 4 and from the allocation to such State.

#### APPROPRIATION FOR ADMINISTRATION

SEC. 8. There are hereby authorized to be appropriated for each fiscal year to the Department of Health, Education, and Welfare such sums as may be necessary for the administration of this Act.

#### DEFINITIONS

SEC. 9. For the purpose of this Act—

(a) The term "Commissioner" means the Commissioner of Education in the Department of Health, Education, and Welfare.

(b) The term "State" means a State, Puerto Rico, Guam, the Virgin Islands, American Samoa, and the District of Columbia.

(c) The term "assistance" means Federal financial assistance under the provisions of this Act.

(d) The term "community receiving assistance" means the community served by the school system in which the classroom construction project is to be located.

(e) The term "school system" means a governmental authority which operates and directs public education in a city, county, township, or other local political subdivision of any State.

(f) The term "school facilities" means any buildings, furnishings, equipment, supplies, and land used or held by the school system.

(g) The term "classroom" means a school area used principally for instruction in subjects required for graduation, except that it shall include libraries. It shall not include any indoor athletic facilities or any special purpose rooms unless the subject to be principally taught in any such room is required for graduation.

---

[S. 723, 87th Cong., 1st sess.]

**A BILL** To authorize the appropriation of funds to assist the States in financing a minimum foundation program of public elementary and secondary school education, in order to more nearly equalize educational opportunities, improve teachers' salaries, construct schools, and otherwise improve the quality of such education

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That this Act may be cited as the "Educational Opportunities Act of 1961".

#### DECLARATION OF PURPOSE

SEC. 2. The purpose of this Act is to assist the States in financing a minimum foundation program of public elementary and secondary school education designed to provide more nearly equal opportunities for the Nation's children by

raising the quality of such education in the States and school districts in greatest need of assistance.

#### DEFINITIONS

**SEC. 3.** For the purpose of this Act—

- (1) the term "Commissioner" means the United States Commissioner of Education;
- (2) the term "State" includes Puerto Rico, Guam, the Virgin Islands, and the District of Columbia;
- (3) the term "State education agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools;
- (4) average daily attendance shall be determined in accordance with State law, and in determining Federal shares under section 4 for any fiscal year, the average daily attendance used shall be that of the second preceding fiscal year;
- (5) total personal income of a State for the purpose of determining such State's Federal share under section 4 for any fiscal year shall be the average of the total annual personal income of such State for the calendar years ending in the second, third, and fourth preceding fiscal years, according to data available from the Department of Commerce;
- (6) current expenditures per public elementary and secondary school child of a State shall be determined for any year by dividing the total expenditures during such year, excluding expenditures for interest, debt service, and capital outlay, and any amount received under the provisions of this Act, for public elementary and secondary school education by such State and all subdivisions thereof by the average daily attendance in the public elementary and secondary schools of such State during such year.

#### MINIMUM FOUNDATION AND FEDERAL SHARE THEREIN

**SEC. 4.** (a) For the purpose of this Act, the minimum foundation for each fiscal year beginning on or after July 1, 1961, for public elementary and secondary school education in each State shall be the product of the average daily attendance in the public elementary and secondary schools in such State, as determined under section 3 (4), multiplied by—

- (1) \$325 for the fiscal year beginning July 1, 1961;
- (2) \$350 for the fiscal year beginning July 1, 1962;
- (3) \$375 for the fiscal year beginning July 1, 1963; or
- (4) \$400 for the fiscal year beginning July 1, 1964, or for any fiscal year thereafter.

(b) The Federal share of such minimum foundation shall be—

- (1) in the case of each such year beginning before July 1, 1965,
  - (A) one-half the amount by which such minimum foundation exceeds 4 per centum of the total personal income for such State as determined under section 3 (5), or
  - (B) the product of the average daily attendance in the public elementary and secondary schools in such State as determined under section 3 (4) multiplied by \$20,

whichever is larger, or

- (2) in the case of each such year beginning on or after July 1, 1965, one-half the amount by which such minimum foundation exceeds 4 per centum of the total personal income for such State as determined under section 3 (5).

(c) Notwithstanding the provisions of subsection (b), the Federal share for Puerto Rico, Guam, and the Virgin Islands for the fiscal year beginning July 1, 1961, and each fiscal year thereafter, shall be such amount as is determined by the Commissioner to be necessary to carry out the purpose of this Act.

#### PAYMENTS TO STATES AND USE THEREOF

**SEC. 5.** (a) For each fiscal year beginning on or after July 1, 1961, the Commissioner shall determine the Federal share for each State which has submitted an application for such year under the provisions of section 6 and which meets the requirements of section 7, and shall pay to the State education agency of such State an amount equal to such Federal share. Such payments shall be made from amounts appropriated for the purpose of this Act as soon as possible after such amounts become available for payment.

(b) If the amount appropriated for any fiscal year for payments to the States under the provisions of this Act is less than the total of the Federal shares for all States for such year, the payment to each State under the provisions of this Act for such year shall be an amount which bears the same ratio to such State's Federal share for such year as such amount appropriated bears to such total of Federal shares.

(c) Payments received under the provisions of this Act shall be available for disbursement by the State education agency, either directly or through payments to local public-school jurisdictions or other State public-education agencies, for any expenditure for elementary or secondary school purposes for which educational revenues derived from State or local sources may legally and constitutionally be expanded by such State.

#### APPLICATIONS AND PLANS

SEC. 6. The State education agency of each State which desires to receive a payment under the provisions of this Act shall submit an application to the Commissioner which—

(a) provides assurance that the State education agency shall be the sole agency for administering the funds received under the provisions of this Act;

(b) contains a plan for using such funds for public elementary and secondary school education purposes in order to provide for school building construction, increases in teachers' salaries, improvement in the quality of classroom instruction, additional instruction in science, mathematics, and languages, acquisition of improved school equipment, improvement in school administration, and other improvements in elementary and secondary school education consistent with the purpose of this Act, in addition to that which would be accomplished without funds provided under this Act, and with priority being given to the areas in the State having the greatest need; and

(c) sets forth procedures for such fiscal control as may be necessary to assure proper disbursement of funds received under this Act.

#### CONDITION

SEC. 7. No State shall receive a payment under the provisions of this Act for any fiscal year unless the current expenditures per public elementary and secondary school child of such State for the second preceding fiscal year was at least equal to the average of the current expenditures per public elementary and secondary school child of such State for the third fiscal year preceding such year of payment and the fiscal year beginning July 1, 1959.

#### REPORTS

SEC. 8. Each State receiving a payment for any fiscal year under the provisions of this Act shall submit to the Commissioner, not later than January 1 following the termination of such year, a report on how such payment was used, with particular emphasis on how it was used to accomplish the objectives of the State plan or otherwise to improve public elementary and secondary school education in the State.

#### ASSURANCE AGAINST FEDERAL INTERFERENCE IN SCHOOLS

SEC. 9. In the administration of this Act, no department, agency, officer, or employee of the United States shall exercise any direction, supervision, or control over the policy determination, personnel, curriculum, program of instruction, or the administration or operation of any school or school system.

#### APPROPRIATIONS AUTHORIZED

SEC. 10. There are authorized to be appropriated for the fiscal year beginning July 1, 1961, and each fiscal year thereafter, such amounts as may be necessary to carry out the provisions of this Act.

[S. 991, 87th Cong., 1st sess.]

A BILL To promote education in the United States

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SHORT TITLE

SECTION. 1. This Act may be cited as the "Educational Opportunities Act of 1961".

#### TITLE I

##### ESTABLISHMENT OF NATIONAL SCHOLARSHIP BOARD

SEC. 101. (a) There is hereby established an independent body to be known as the National Scholarship Board (hereinafter referred to as the "Board"). Such Board shall consist of thirteen members to be appointed by the President, by and with the advice and consent of the Senate, as follows:

(1) Five members who are recognized scholars in any of the following fields: Engineering, mathematics, or science.

(2) Five members who are recognized scholars in the field of humanities.

(3) Three members from such fields of endeavor as the President deems appropriate.

It shall be the duty of the Board to carry out the scholarship program provided for in this title. Any vacancy on the Board shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(b) Members of the Board shall receive compensation at the rate of \$50 for each day engaged in carrying out this title, and shall be entitled to receive an allowance for actual and necessary travel and subsistence expenses while serving away from their places of residence.

##### RULES AND REGULATIONS

SEC. 102. The Board shall make such rules and regulations as it deems necessary to carry out the provisions of this title. All actions of the Board shall be by majority vote of the members thereof.

##### AWARD OF SCHOLARSHIPS

SEC. 103. (a) The Board shall establish principles and policies to be followed in the selection of individuals to be awarded scholarships. Such principles and policies shall provide for the selection of individuals to be awarded scholarships by objective examinations designed to measure achievement, such as the cooperative achievement test of the Educational Testing Service, Princeton, New Jersey. The Board shall establish a minimum attainment grade for such examinations and notwithstanding the number of scholarships authorized in this title for any year, a scholarship shall not be awarded under this title to any individual unless he equals or exceeds such minimum grade. As part of such examination, the Board shall require each individual competing for a scholarship under this title to submit an original theme or composition written in English, as well as a written translation, of such material as the Board may prescribe, from English into a foreign language and from a foreign language into English. Scholarships awarded by the Board shall be known as "national scholarships".

(b) To be eligible to compete for a national scholarship, an individual (1) must be in his last academic year of secondary school or must hold a certificate of graduation from a school providing secondary education, (2) must have completed (or be in his last academic year toward completion) four academic years of study in English, three academic years of study in mathematics, three academic years of study in history, three academic years of study in foreign language, and three academic years of study in science or in Greek or Latin (if such Greek or Latin study is not used for the foreign language requirement above); (3) must have attained, or be reasonably assured of attaining, secondary school grades which average in the upper 15 per centum of the group with which he is completing secondary school; and (4) must make application for such scholarship in accordance with such rules and regulations as the Board may prescribe.

(c) Examinations for determining national scholarship winners shall be scheduled by the Board so as to permit the announcement of winners not later than the first week of March in each year that such scholarships are awarded.

(d) There are authorized to be awarded one thousand national scholarships for education beginning in the academic year which begins in the calendar year 1962, and for each academic year thereafter.

(e) All recipients of national scholarships shall receive a certificate signed by the members of the Board designating the recipient as a "national scholar".

#### INSTITUTION OF HIGHER LEARNING TO BE ATTENDED

SEC. 104. An individual awarded a national scholarship may attend any institution of higher learning which will admit him if such institution (1) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate, (2) is legally authorized to provide a program of education beyond secondary education, (3) provides an educational program for which it awards a bachelor's degree or provides not less than a two-year program which is acceptable for full credit toward such a degree, and (4) is accredited by a nationally recognized accrediting agency or association or, if not so accredited, is an institution whose credits are accepted, on transfer, by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited.

#### AMOUNT AND DURATION OF SCHOLARSHIPS

SEC. 105. (a) The scholarship allowance to be paid each academic year to an individual awarded a national scholarship shall be determined for each academic year by the Board on the basis of the estimated expenses which will be incurred for such year in attending the educational institution in which he is enrolled. In no event shall such allowance for any such year exceed \$3,000, nor shall such allowance for the first such year be less than \$500. The scholarship allowance shall be paid in such manner and at such times as the Board may prescribe.

(b) The scholarship allowance herein provided for shall be granted for a period of time not to exceed four academic years, or such longer period as is normally required to complete the undergraduate curriculum which the recipient is pursuing; but in no event shall such allowance be paid beyond the completion by the recipient of the work for his first bachelor's degree. Notwithstanding the foregoing provisions, the scholarship allowance shall be paid only so long as the recipient (1) devotes substantially full time during the academic school year to educational work at the educational institution which he is attending, and (2) maintains the standards and requirements prescribed by the institution he is attending and those prescribed by the Board. If the recipient fails to maintain such standards and requirements, his national scholarship shall be terminated and he shall be dropped from the program.

#### APPROPRIATIONS

SEC. 106. There are authorized to be appropriated such amounts as may be necessary to carry out the provisions of this title.

### TITLE II—AMENDMENTS TO INTERNAL REVENUE CODE OF 1954

#### CREDIT AGAINST INCOME TAX FOR REAL PROPERTY TAXES PAID FOR SUPPORT OF PUBLIC ELEMENTARY AND SECONDARY EDUCATION

SEC. 201. (a) Part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits against tax) is amended by renumbering section 38 as section 39, and by inserting after section 37 the following new section:

#### "SEC. 38. REAL PROPERTY TAXES PAID FOR SUPPORT OF PUBLIC EDUCATION.

"(a) GENERAL RULE.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the taxes on real property paid or accrued during the taxable year which are imposed for the



support of public elementary and secondary education, but only to the extent that such taxes do not exceed the lesser of—

“(1) \$100, or

“(2) the amount of the tax imposed by this chapter for the taxable year, reduced by the credits allowable under section 32 (relating to tax withheld at source on nonresident aliens and foreign corporations and on taxfree covenant bonds), section 33 (relating to foreign tax credit), section 34 (relating to credit for dividends received by individuals), section 35 (relating to partially tax-exempt interest), and section 37 (relating to retirement income).

“(b) **INCOME TAX BENEFITS NOT TO EXCEED AMOUNT OF REAL PROPERTY TAXES PAID FOR SUPPORT OF PUBLIC EDUCATION.**—If the amount allowable (but for this subsection) as a credit under subsection (a) for any taxable year, when added to the amount by which the tax under this chapter for the taxable year is less by reason of the deduction allowed under section 164 for real property taxes for which credit is otherwise allowable under subsection (a), exceeds the total amount of real property taxes paid or accrued during the taxable year which are imposed for the support of public elementary and secondary education, the amount allowable as a credit under subsection (a) shall be reduced by an amount equal to such excess.

“(c) **DETERMINATION OF AMOUNT OF REAL PROPERTY TAX PAID FOR SUPPORT OF PUBLIC EDUCATION.**—For purposes of subsection (a), the amount of any tax on real property which is imposed for the support of public elementary and secondary education shall be—

“(1) with respect to any real property tax imposed solely for such support, the amount of such tax; and

“(2) with respect to any real property tax imposed in part for such support, the portion of such tax—

“(A) designated in the bill for such tax submitted to the taxpayer by the taxing jurisdiction imposing such tax; or

“(B) determined from information set forth in such bill or from information furnished to the taxpayer by such taxing jurisdiction, as the amount of such tax which is imposed for the support of public elementary and secondary education.

“(d) **SPECIAL RULES.**—

“(1) **TAXES MUST BE DEDUCTIBLE.**—No credit shall be allowed under subsection (a) with respect to any real property tax unless such tax is allowable as a deduction for the taxable year under section 164.

“(2) **TAXES CONSTRUCTIVELY PAID.**—Under regulations prescribed by the Secretary or his delegate, the provisions of subsections (d), (e), and (f) of section 164 shall apply to real property taxes with respect to which credit is allowable under subsection (a).”

(b) The table of sections for such part IV is amended by striking out the last item and inserting in lieu thereof the following:

“Sec. 38. Real property taxes paid for support of public education.

“Sec. 39. Overpayments of tax.”

#### DEDUCTION FOR EXPENSES INCURRED IN PROVIDING HIGHER EDUCATION

SEC. 202. (a) Part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to additional itemized deductions for individuals) is amended by renumbering section 217 as section 218, and by inserting after section 216 the following new section:

#### “SEC. 217. EXPENSES FOR HIGHER EDUCATION.

“(a) **ALLOWANCE OF DEDUCTION.**—In the case of an individual, there shall be allowed as a deduction the expenses for higher education paid by the taxpayer during the taxable year which are incurred by him, by his spouse, or by a dependent (as defined in section 152(a)).

“(b) **DEFINITIONS.**—For purposes of this section—

“(1) **EXPENSES FOR HIGHER EDUCATION.**—The term ‘expenses for higher education’ means amounts paid for—

“(A) tuition and fees required by an institution of higher education for attendance at such institution;

“(B) fees required by an institution of higher education for a course of instruction at such institution;



“(C) books, supplies, and equipment certified by an institution of higher education as necessary for a course of instruction at such institution; and

“(D) meals and lodging while attending an institution of higher education, but only if the individual for whom such amounts are paid is, at the time such expenses for meals and lodging are incurred, a full-time student at such institution or is enrolled in courses having at least one-half of the number of hours required to qualify as a full-time student.

“(2) INSTITUTION OF HIGHER EDUCATION.—The term ‘institution of higher education’ means an educational institution (as defined in section 151(e)(4))—

“(A) which is accredited by a recognized national or regional accrediting agency, and

“(B) (i) which is authorized to confer any baccalaureate or higher degree, or (ii) whose curriculum consists of courses at least two-thirds of which are courses of instruction within the meaning of this section.

“(3) COURSE OF INSTRUCTION.—The term ‘course of instruction’ means a course of instruction for the successful completion of which credit is allowed toward a baccalaureate or higher degree by an institution of higher education authorized to confer such degree, or which is required for graduation by the institution of higher education offering such course.

“(c) LIMITATIONS.—

“(1) EXPENSES OF EACH INDIVIDUAL.—Deduction shall be allowed under subsection (a) for the expenses for higher education of any one individual paid during the taxable year only to the extent that such expenses do not exceed \$2,000.

“(2) SPOUSE.—Deduction shall be allowed under subsection (a) for the expenses for higher education of the spouse of the taxpayer paid during the taxable year only if—

“(A) the taxpayer is entitled to an exemption for his spouse under section 151(b) for the taxable year, or

“(B) the taxpayer files a joint return with his spouse under section 6013 for the taxable year.

“(3) MEALS AND LODGING.—

“(A) FULL-TIME STUDENTS.—Deduction shall be allowed under subsection (a) for the expenses for higher education described in subsection (b)(1)(D) paid during the taxable year which are incurred by any individual who at the time such expenses are incurred is a full-time student only to the extent that such expenses do not exceed—

“(i) in the case of such expenses incurred while the individual is attending an educational institution away from home, \$90, multiplied by the number of months during the taxable year in which the individual attends an educational institution away from home, or if greater, by the number of months for which payment is made during the taxable year for meals and lodging for the individual while he is attending an educational institution away from home; or

“(ii) in the case of such expenses incurred while the individual is attending an educational institution not away from home, \$45, multiplied by the number of months during the taxable year in which the individual attends an institution of higher education not away from home, or, if greater, by the number of months for which payment is made during the taxable year for meals and lodging for the individual while he is attending an educational institution not away from home.

“(B) LESS THAN FULL-TIME STUDENTS.—Deduction shall be allowed under subsection (a) for the expenses of higher education described in subsection (b)(1)(D) paid during the taxable year which are incurred by any individual who at the time such expenses are incurred is not a full-time student but who is enrolled in courses having at least one-half of the number of hours required to qualify as a full-time student only to the extent that such expenses do not exceed an amount determined under subparagraph (A) (i) or (ii), whichever is applicable, except that, for purposes of this subparagraph, there shall be substituted for \$90 in subparagraph (A) (i), and for \$45 in subparagraph (A) (ii), an amount which bears the same ratio to \$90 or \$45, as the case may be,

as the number of hours in which such individual is enrolled bears to the number of hours required to qualify as a full-time student.

“(C) SPECIAL RULES.—For purposes of subparagraphs (A) and (B), a month during which an individual attends an institution of higher education for less than 10 days shall be disregarded; and an individual who is attending an institution of higher education not away from home, but who is required by such institution to accept meals and lodging furnished by such institution, shall be treated as if he is attending an institution of higher education away from home. For purposes of this section, the amounts paid for meals and lodging of an individual while he is attending an institution of higher education not away from home shall, in the case of meals and lodging furnished to such individual by the taxpayer, be determined under regulations prescribed by the Secretary or his delegate.

For purposes of the preceding sentence, a month during which an individual is in attendance at an institution of higher education for less than 10 days shall be disregarded. For purposes of this paragraph, an individual who is attending an institution of higher education not away from home, but who is required by such institution to accept meals and lodging furnished by such institution, shall be treated as if he is attending an institution of higher education away from home. For purposes of this section, the amounts paid for meals and lodging of an individual while he is attending an institution of higher education not away from home shall, in the case of meals and lodging furnished to such individual by the taxpayer, be determined under regulations prescribed by the Secretary or his delegate.

“(4) OTHER PERSONAL AND LIVING EXPENSES.—Except as provided in paragraph (3), deduction shall not be allowed under subsection (a) for any amount paid, directly or indirectly, for any personal or living expenses. In the event an amount paid as tuition or fees includes an amount for any personal or living expense (including meals or lodging) which is not separately stated, the portion of such amount paid which is attributable to such personal or living expense shall be determined under regulations prescribed by the Secretary or his delegate.

“(5) TAXPAYERS HAVING SUBSTANTIAL TAXABLE INCOME.—The amount which (but for this paragraph) would be allowable as a deduction under subsection (a) shall be reduced by the amount by which the taxable income of the taxpayer (computed without regard to this section) exceeds—

“(A) \$10,000, if the taxpayer is unmarried and is not a head of a household (as defined in section 1(b)(a)) for the taxable year, or is married and files a separate return for the taxable year, or

“(B) \$20,000, if the taxpayer is married and files a joint return with his spouse for the taxable year, or is a head of a household or surviving spouse for the taxable year.

“(d) REDUCTION FOR CERTAIN SCHOLARSHIPS, FELLOWSHIPS, AND VETERANS' BENEFITS.—The expenses for higher education paid by the taxpayer with respect to any individual which (but for this subsection) would be taken into account under subsection (a) shall, under regulations prescribed by the Secretary or his delegate, be reduced by any amounts received by or for such individual during the taxable year as—

“(1) a scholarship or fellowship grant (within the meaning of section 117(a)(1)) which, under section 117, is not includable in gross income, or

“(2) education and training allowance under chapter 33 of title 38 of the United States Code or educational assistance allowance under chapter 35 of such title.

“(e) EXCEPTION.—Subsection (a) shall not apply to any amount paid which is allowable as a deduction under section 162 (relating to trade or business expenses).”

(b) The table of sections for such part VII is amended by striking out the last item and inserting in lieu thereof the following:

“Sec. 217. Expenses for higher education.

“Sec. 218. Cross references.”

#### EFFECTIVE DATE

SEC. 203. The amendments made by sections 201 and 202 shall apply to taxable years beginning after December 31, 1959.

[S. 1021, 87th Cong., 1st sess.]

A BILL To authorize a program of Federal financial assistance for education

*Be it enacted by the Senate and House of Representatives in the United States of America in Congress assembled,*

## TITLE I—SCHOOL ASSISTANCE ACT OF 1961

SEC. 101. This title may be cited as the "School Assistance Act of 1961".

### DECLARATION OF PURPOSE

SEC. 102. It is the purpose of this title to authorize a three-year program of Federal grants to States to assist their local education agencies to construct urgently needed public elementary and secondary school facilities, to employ needed additional public school teachers and pay them adequate salaries, and to undertake special projects directed to special or unique educational problems or opportunities. It is the intent of Congress that with this assistance the quality of public elementary and secondary education will be substantially improved in all States and that inequalities of educational opportunities within and between States will be substantially reduced.

### ASSURANCE AGAINST FEDERAL INTERFERENCE IN SCHOOLS

SEC. 103. In the administration of this title, no department, agency, officer, or employee of the United States shall exercise any direction, supervision, or control over the policy determination, personnel, curriculum, program of instruction, or the administration or operation of any school or school system.

### AUTHORIZATION OF APPROPRIATIONS

SEC. 104. There is hereby authorized to be appropriated, without any limitation of such appropriation or condition inconsistent with or contrary to the terms or purposes of this title, for the fiscal year beginning July 1, 1961, \$666,000,000, for the fiscal year beginning July 1, 1962, \$766,000,000, and for the fiscal year beginning July 1, 1963, \$866,000,000, for the purpose of making payments to State education agencies as provided in this title.

### ALLOTMENTS AND PAYMENTS TO STATES

SEC. 105. (a) The sums appropriated pursuant to section 104 shall be allotted among the States on the basis of the income per public school pupil, the number of such pupils, and the effort for public school purposes of the respective States. Except as provided by section 106, and by subsection (b) of this section, such allotments shall be made as follows: The Commissioner shall allot to each State for each fiscal year, an amount which bears the same ratio to the sums appropriated pursuant to section 104 for such year as the product of—

(1) the number of public school pupils in the State in the preceding fiscal year, and

(2) the State's allotment ratio (as determined under section (c)) bears to the sum of corresponding products for all the States.

(b) Subject to the provisions of section 106, a State's minimum allotment for any fiscal year shall be the product of \$15 multiplied by the number of public school pupils in such State in the preceding fiscal year. If, for any fiscal year, the amount allotted to any State under subsection (a) is less than such State's minimum allotment, the Commissioner shall deduct from the sums appropriated pursuant to section 104 for such fiscal year, such amount as may be necessary to allot to each such State its minimum allotment for such fiscal year, and shall thereafter reallocate among the remaining States and in accordance with subsection (a), the balance remaining after such deduction, and shall repeat such deductions and reallocations until, for each fiscal year, the amount allotted to each State is not less than such State's minimum allotment.

(c) for purposes of this title—

(1) The "allotment ratio" for any State shall be 1.00 less the product of (A) .50 and (B) the quotient obtained by dividing the income per public school pupil for the State by the income per such pupil for all the States (exclusive of Puerto Rico, Guam, and the Virgin Islands), except that the allotment ratio for Puerto Rico, Guam, and the Virgin Islands shall be .75.

(2) The allotment ratios shall be promulgated by the Commissioner for each fiscal year, between July 1 and August 31 of such fiscal year, except that for the fiscal year beginning July 1, 1961, such allotment ratios shall be promulgated as soon as possible after the enactment of this title. Allotment ratios for each fiscal year shall be computed on the basis of the average of the incomes per public school pupil for the States and for all the States (exclusive of Puerto Rico, Guam, and the Virgin Islands) for the three most recent consecutive fiscal years for which satisfactory data are available from the Department of Commerce. Such promulgation shall be conclusive for the purposes of this title, except that the Commissioner may estimate and subsequently revise such allotment ratios, and, as so revised and promulgated, such promulgation shall be equally conclusive.

(3) The term "income per public school pupil" for any fiscal year for a State or for all the States means the total personal income for the State or for all the States in the calendar year ending in such fiscal year (exclusive of Puerto Rico, Guam, and the Virgin Islands), respectively, divided by the number of public school pupils in the State or in all the States, respectively, in such fiscal year.

MAINTENANCE AND IMPROVEMENT OF STATE AND LOCAL SUPPORT FOR PUBLIC  
SCHOOL FINANCING

SEC. 106. (a) The sum otherwise allocable to any State under section 105 for any fiscal year after the fiscal year beginning July 1, 1961, shall be reduced if such State's effort for such fiscal year is not at least equal to such State's base effort for such year. The amount of such reduction shall be the difference between the State's public school expenditures in such year and the public school expenditures it would have made in such year had it exerted the State's base effort for such year.

(b) The sum otherwise allocable to any State under section 105 for any fiscal year after the fiscal year beginning July 1, 1961, shall also be reduced if such State's effort for such year is not at least equal to the State's base effort for such year plus the average rate of increase in the national effort over the five fiscal year period beginning July 1, 1956, and ending June 30, 1961. The amount of the reduction under this subsection (which shall be in addition to the reduction, if any, under subsection (a)) shall bear the same relation to the sum otherwise allocable to the State under section 105, (1) as the difference between the State's effort and the national effort for such years bears to the national effort for such year, or (2), if it would result in a smaller reduction, as the difference between the State's expenditure per public school pupil and 110 per centum of the national expenditure per public school pupil for such year, bears to 110 per centum of the national expenditure per public school pupil for such year. This subsection shall not apply to any State for any year for which the State's effort equaled or exceeded the national effort for such year or the State's expenditure per public school pupil equaled or exceeded 110 per centum of the national expenditure per public school pupil for such year.

(c) The total reductions which may be made under subsections (a) and (b) from the sum otherwise allocable to a State for any fiscal year, shall not exceed one-third of such sum.

(d) The sum of the reductions under this section for each fiscal year shall be reallocated by proportionately increasing the allotments under section 105 for such year of those remaining States (other than the District of Columbia, Puerto Rico, Guam, and the Virgin Islands) whose allotments for such year have neither been increased to achieve their minimum allotments under section 105(b) nor been reduced under this section.

(e) For purposes of this section—

(1) (A) A "State's effort" for any State for a fiscal year is the quotient obtained by dividing (i) the State's expenditure per public school pupil by (ii) the income per such pupil for the State; except that the State's effort shall be deemed to be equal to the State's base effort and to the national effort in the case of Puerto Rico, the Virgin Islands, Guam, and the District of Columbia.

(B) A State's "base effort" for a fiscal year means the average State effort over the three immediately preceding fiscal years.

(2) (A) The "national effort" for any fiscal year is the quotient obtained by dividing (i) the expenditure per public school pupil for all the States (exclusive of Puerto Rico, Guam, the Virgin Islands, and the District of Columbia) by (ii) the income per such pupil for all such States.

(B) The average annual rate of increase in the national effort over the five fiscal year period beginning July 1, 1956, and ending June 30, 1961, shall be determined by dividing the difference between the national effort for the fiscal year beginning July 1, 1956, and for the fiscal year beginning July 1, 1960, by four.

(3) (A) The "public school expenditures" of any State in any fiscal year means the total expenditures by the State and subdivisions thereof in such year for public elementary and secondary education made from funds derived from State and local sources in the State (including payments in the nature of payments in lieu of taxes from any sources).

(B) The "expenditure per public school pupil" for any State for any fiscal year means the quotient obtained by dividing the State's public school expenditures in such year by the number of its public school pupils for such year.

(C) The "national expenditure per public school pupil" for any fiscal year means the quotient obtained by dividing (i) the public school expenditures of all the States in such year (exclusive of Puerto Rico, Guam, the Virgin Islands, and the District of Columbia) by (ii) the number of public school pupils in all such States for such year.

(4) The Commissioner's determinations of the State effort, base effort, income, public school expenditures, and expenditure per public school pupil, for any State, and his determinations of the national effort, average rate of increase, and expenditure per public school pupil, shall be conclusive for purposes of this title, except that the Commissioner may estimate and subsequently revise any such determination, and as so revised, such determination shall be equally conclusive.

#### PAYMENTS OF ALLOTMENTS TO STATES

SEC. 107. Payments to States which have submitted and had approved their applications under this title of Federal funds allotted to them pursuant to section 105 (as adjusted by the application of the provisions of section 106 and as adjusted on account of overpayments or underpayments previously made) shall be made by the Commissioner on the basis of such estimates, in such installments, and at such times, as may be reasonably required for expenditure by the States of the funds so allotted.

#### STATE AGENCY ADMINISTRATIVE COSTS

SEC. 108. From the sums allotted to it under section 105, as adjusted by section 106, for each fiscal year, a State education agency may use such amount as it deems necessary for any supervision, services, and other costs of administering its activities under this title in that year, except that such amount shall not be more than whichever is the lesser of (1) ten cents multiplied by the number of public school pupils in the State during the prior fiscal year, and (2) \$150,000, except that if, for any State, such lesser amount is less than \$25,000, such amount shall be increased to \$25,000.

#### SPECIAL EDUCATIONAL PROJECTS

SEC. 109. Each State education agency shall set aside, from the sums allotted to it under section 105, as adjusted by section 106 for any fiscal year, an amount equal to 10 per centum of the sums so allotted to it for the fiscal year beginning July 1, 1961, for paying part of the costs of pilot, demonstration, or experimental projects of local educational agencies designed to meet public school problems or to develop or evaluate public school programs of a special or unique nature, including but not limited to—

(1) remedial or special instructional programs or services for pupils having special language or adjustment problems;

(2) programs or services for adapting curriculums to the needs of deprived or disadvantaged pupils;

(3) programs or services for pupils from immigrant or unusually mobile families;

(4) programs for coordinating the school system planning and programs in the area served by the local education agency, with the planning and programs of other public or private nonprofit agencies dealing with problems related to the alleviation of the same deteriorated or depressed areas and of the families and children residing therein;

(5) programs for developing new types of elementary or secondary instruction or programing;

- (6) programs for developing multipurpose uses of elementary and secondary school facilities;
- (7) programs to stimulate improvements in construction, design or location of elementary and secondary school facilities;
- (8) programs to encourage and stimulate educational excellence, including programs for exceptionally gifted children.

#### STATE APPLICATIONS

**SEC. 110.** (a) A State which desires to receive its allotments under this title shall submit through its State education agency an application to the Commissioner which—

(1) provides assurance that the State education agency shall be the sole agency for administering the funds received under this title;

(2) provides for specifying at the beginning of each fiscal year the proportion of its allotment for such year that will be expended for (A) public school teachers' salaries, and (B) the construction of public school facilities; and provides that such allotment, except for sums used in accordance with sections 108 and 109, shall be used exclusively for either of such purposes:

(3) sets forth criteria and procedures to insure that in allocating funds received under this title (exclusive of amounts to be used for projects under section 109 and amounts to be used under section 108) to local education agencies (A) the amounts to be used for school facilities construction will be allocated within the State so that priority is given to local education agencies which, in the judgment of the State education agency, have the greatest need for additional school facilities and which are least able to finance the cost of needed school facilities, and (B) the amounts to be used for school teachers' salaries will be allocated so that preference is given to local education agencies which, in the judgment of the State education agency, have the greatest need for additional teachers or increases in their teachers' salaries and which are least able to finance such costs.

(4) sets forth the criteria and procedures, consistent with the purposes of section 109, on the basis of which local education agency projects under such section will be approved;

(5) provides assurance that every local education agency whose application for funds under this title is denied, will be given an opportunity for a hearing before the State education agency;

(6) sets forth procedures for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, funds paid to the State and by the State to the local education agencies under this title, which procedures shall include provision for repayment to the United States of any sums received by the State under this title which are not obligated by it in accordance with the provisions of this title by the end of the fiscal year following that in which such sums were received, or which are not expended in accordance therewith by the end of the second fiscal year following that in which they were obligated (unless such sums have been deducted from subsequent payments pursuant to section 107):

(7) provides assurance that the requirements of section 112 will be complied with on all construction projects in the State assisted under this title; and

(8) provides for making such reports in such form and containing such information as the Commissioner may from time to time reasonably require and for access by the Commissioner, upon request, to the records upon which such information is based.

(b) In the case of any State in which a State education agency has exclusive responsibility for financing the construction of school facilities or for the payment of teachers' salaries, the Commissioner may modify or make inapplicable any of the provisions of subsection (a) with respect to funds specified for school construction or teachers' salaries, as the case may be, to the extent he deems such action appropriate in the light of the special governmental or school organization of such State.

#### REVIEW OF STATE APPLICATIONS

**SEC. 111.** (a) (1) The Commissioner shall approve an application of a State which fulfills the conditions specified in section 110(a), and shall not finally



disapprove a State application except after reasonable notice and opportunity for hearing to the State education agency.

(2) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State education agency, finds that such agency is not complying substantially with the provisions required to be included in its application under section 110(a), or that any funds have been diverted from the purposes for which they have been paid, the Commissioner shall forthwith notify the State education agency, and he shall thereafter withhold further payments to the State under this title until there is no longer any such failure to comply, or, if compliance is impossible, there is a repayment, or an arrangement for repayment, of Federal moneys which have been diverted or improperly expended.

(b)(1) A State education agency dissatisfied with a final action of the Commissioner under subsection (a) of this section may appeal to the United States court of appeals for the circuit in which such State or agency is located, by filing a petition with such court within sixty days after such final action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner, or any officer designated by him for that purpose. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(2) Upon the filing of the petition referred to in paragraph (1) of this subsection, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part, temporarily or permanently. The findings of the Commissioner as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(3) The judgment of the court affirming or setting aside, in whole or in part, any action of the Commissioner shall be final, subject to review of the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

#### LABOR STANDARDS

SEC. 112. All laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part under this title shall be paid wages at rates not less than those prevailing on similar construction in the locality to be determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276c-5) for construction projects under this title, and every such employee shall receive compensation at a rate not less than one and one-half times his basic rate of pay for all hours worked in excess of eight hours in any workday or forty hours in the workweek, as the case may be; but the State education agency may waive the application of this section in cases or classes of cases where laborers or mechanics, not otherwise employed at any time in the construction of the project, voluntarily donate their services for the purpose of lowering the costs of construction and the State education agency determines that any amounts saved thereby are fully credited to the education agency undertaking the construction. The State education agency of each State shall take such steps as shall be necessary to assure that the wage standards required above shall be set out in each project advertisement for bids and in each bid proposal form and shall be made a part of the contract covering the project. The Secretary of Labor shall have with respect to the labor standards specified in this provision the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. 1332-15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

#### DEFINITIONS

SEC. 113. For the purposes of this title—

(1) The term "Commissioner" means the United States Commissioner of Education.

(2) The term "local education agency" means a board of education or other legally constituted local school authority having administrative control and direction of public schools in a city, county, township, school district, or political subdivision.

(3) The term "State" includes the District of Columbia, Puerto Rico, Guam, and the Virgin Islands.

(4) The term "State education agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public schools.

(5) The term "public school pupils" means pupils in average daily attendance at public schools within a State, or within all of the States, as determined by the Commissioner in accordance with criteria developed by him to assure uniform determinations for all the States.

(6) The term "public schools" means schools providing free education at public expense, under public supervision and direction and without tuition charge to resident pupils, and which is provided as elementary or secondary school education for local communities.

(7) The term "elementary and secondary education" shall not include any education provided below the kindergarten level or beyond grade 12.

(8) The terms "school facilities" and "public school facilities" mean classrooms and related facilities (including furniture, instructional materials other than textbooks, equipment, machinery, and utilities necessary or appropriate for school purposes) for public schools, and interests in land (including site, grading, and improvement) on which such facilities are constructed. Such terms do not include athletic stadiums, or structures, or facilities intended primarily for events, such as athletic exhibitions, contests, or games for which admission is to be charged to the general public.

(9) The terms "construct", "constructing", and "construction" include the preparation of drawings and specifications for school facilities; erecting, building, acquiring, altering, remodeling, improving, or extending school facilities; and the inspection and supervision of the construction of school facilities.

(10) The term "teacher" means any member of the instructional staff of a public school as defined by the State education agency of each State.

(11) The term "teachers' salaries" means the monetary compensation paid to teachers for services rendered in connection with their employment.

## TITLE II—AMENDMENTS TO PUBLIC LAW 874

### FEDERAL ACQUISITION OF REAL PROPERTY

SEC. 201. The first sentence of subsection (a) of section 2 of the Act of September 30, 1950, as amended (20 U.S.C. 237), is amended by striking out "ending prior to July 1, 1961".

### EMPLOYMENT ON FEDERAL PROPERTY

SEC. 202. (a) The first sentence of subsection (b) of section 3 of such Act is amended by striking out "ending prior to July 1, 1961".

(b) Clause (B) of paragraph (1) of subsection (c) of such section, relating to computation of the amount of entitlement, is amended to read: "(B) the sum of the number of children determined under subsection (a) and one-fourth of the number of children determined under subsection (b)".

### ELIGIBILITY REQUIREMENTS

SEC. 203. (a) Clause (B) of paragraph (2) of subsection (c) of section 3 of such Act is amended to read as follows: "(B) amounts to 3 per centum or more in the case of subsection (a), or 6 per centum or more in the case of subsection (b), of the total number of children who were in average daily attendance during such year and for whom such agency provided free public education, except that for the fiscal year ending June 30, 1962, and the fiscal year ending June 30, 1963, in the case of subsection (b), the percentage requirement shall be 4 per centum and 5 per centum, respectively, instead of 6 per centum".

(b) Paragraph (2) of such subsection (c) is amended by striking out the last sentence thereof and substituting therefor "Notwithstanding the foregoing provisions the Commissioner may waive the conditions of entitlement contained in clause (A) or (B) of this paragraph whenever, in his judgment, exceptional circumstances exist which would make the application of such conditions inequitable and would defeat the purposes of this Act."



## COMPUTATION OF LOCAL CONTRIBUTION RATE

SEC. 204. Subsection (d) of section 3 of such Act, relating to the computation of the local contribution rate, is amended in the following respects:

(a) The first sentence of such subsection is amended by striking out "and the local educational agency".

(b) Clauses (1) and (2) of the first sentence of such subsection are amended to read—

"(1) he shall place each school district within the State into a group of generally comparable school districts; and

"(2) he shall then divide (A) the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which he is making the computation, which all of the local educational agencies within any such group of such comparable school districts made from revenues derived from local sources, by (B) the aggregate number of children in average daily attendance to whom such agencies provided free public education during such second preceding fiscal year."

(c) The third sentence of such subsection is amended by striking out "If, in the judgment of the Commissioner, the current expenditures in those school districts which he has selected under clause (1)" and substituting in lieu thereof "If, in the judgment of the Commissioner, the current expenditures in the school districts within the generally comparable group as determined under clause (1)".

(d) The fourth sentence of such subsection is amended by striking out "(i)" and "or (ii) 50 per centum of the average per pupil expenditure in the United States (which for purposes of this sentence and the next sentence means the fifty States and the District of Columbia), but not to exceed the average per pupil expenditure in the State: *Provided*, That if, for the fiscal year ending June 30, 1959, the application of clause (ii) of this sentence results in a lower local contribution rate than resulted from the application of such clause during the fiscal year ending June 30, 1958, as such clause was then in effect, then such clause, as in effect during the fiscal year ending June 30, 1958, shall be in effect during the fiscal year ending June 30, 1959".

(e) The fifth sentence of such subsection is amended by striking out ", or in the United States," and ", or in the United States, as the case may be".

## ADJUSTMENT FOR CERTAIN DECREASES IN FEDERAL ACTIVITIES

SEC. 205. Subsection (f) of section 3 of such Act, relating to adjustment for certain decreases in Federal activities, is repealed.

## SUDDEN AND SUBSTANTIAL INCREASES IN ATTENDANCE

SEC. 206. (a) Section 4 of such Act, relating to sudden and substantial increases in school attendance as a result of activities of the United States, is repealed.

(b) Section 1 of such Act is amended by striking out "; or (4) there has been a sudden and substantial increase in school attendance as the result of Federal activities".

(c) Clause (A) of section 3(c)(4) of such Act is amended by striking out "(including funds available under section 4 of this Act)".

(d) Subsection (a) of section 5 of such Act, relating to the method of making payments, is amended by striking out "section 2, 3, or 4" and inserting in lieu thereof "section 2 or 3".

(e) Subsection (c) of such section is amended by striking out "sections 2, 3, and 4(a)" and inserting in lieu thereof "sections 2 and 3"

## DEFINITION OF FEDERAL PROPERTY

SEC. 207. The third sentence of paragraph (1) of section 9 of such Act, relating to the definition of "Federal property," is amended by inserting "and" before "(B)" and by striking out ", and (C) any school which is providing flight training to members of the Air Force under contractual arrangements with the Department of the Air Force at an airport which is owned by a State or a political subdivision of a State".

## DEFINITION OF AVERAGE DAILY ATTENDANCE OF FEDERALLY CONNECTED CHILDREN

SEC. 208. Paragraph (10) of section 9 of such Act is amended by adding the following additional sentence thereto: "Notwithstanding the foregoing provisions of this paragraph, average daily attendance under subsections (a) and (b) of section 3 shall be determined in accordance with regulations of the Commissioner on the basis of the average daily attendance determined in accordance with State law (excluding children for whom the local educational agency received tuition) multiplied by the membership ratio between children qualifying under subsections (a) or (b) of section 3 and all children for whom free public education is provided; such membership ratio shall be derived from membership counts for two days during the fiscal year covered by the application, in accordance with such regulations."

## TITLE III—AMENDMENTS TO PUBLIC LAW 815

## EMPLOYMENT OR RESIDENCE ON FEDERAL PROPERTY

SEC. 301. (a) Paragraph (2) of section 5(a) of the Act of September 23, 1950, as amended (20 U.S.C. 635), relating to the determination of the number of children residing on Federal property or residing with a parent employed on Federal property for purposes of the limitation on the total of the payments to any local educational agency, is amended by striking out "50 per centum" and inserting in lieu thereof "25 per centum".

(b) Section 5(b) of such Act is amended by striking out "two or more" and inserting in lieu thereof "both"

## SUDDEN AND SUBSTANTIAL INCREASES IN ATTENDANCE

SEC. 302. (a) Section 5(a) of such Act is amended by striking out "; and" at the end of paragraph (2) and inserting in lieu thereof a period and by striking out paragraph (3) thereof.

(b) The first sentence of section 3 of such Act, relating to the dates of filing applications, is amended by striking out ", except that the last such date with respect to applications for payments on account of children referred to in paragraphs (2) or (3) of section 5(a) shall be not later than June 30, 1961".

(c) The last sentence of section 5(a) of such Act is amended by striking out "paragraph (1), (2), or (3)" and inserting in lieu thereof "paragraph (1) or (2)".

(d) Section 5(c) of such Act is amended by striking out "paragraph (1), (2), or (3) of subsection (a)" and inserting in lieu thereof "paragraph (1) or (2) of subsection (a)", by striking out "or 10 per centum in the case of paragraph (3),", and by striking out ", and unless, in the case of paragraph (3), the construction of additional minimum school facilities for the number of children in such increase will, in the judgment of the Commissioner, impose an undue financial burden on the taxing and borrowing authority of such agency".

(e) Section 5(f) of such Act is amended by striking out "paragraph (1), (2), or (3)" and inserting in lieu thereof "paragraph (1) or (2)".

(f) Paragraph (15) of section 15 of such Act, relating to the definition of "base year", is amended by striking out ", except that in the case of an application based on children referred to in paragraphs (2) or (3) of section 5(a), the base year shall in no event be later than the regular school year 1958-59".

## ADDITIONAL FEDERAL PAYMENTS

SEC. 303. Section 8 of such Act, relating to additional Federal payments in unusual cases, is repealed.

## DEFINITION OF FEDERAL PROPERTY

SEC. 304. The third sentence of paragraph (1) of section 15 of such Act, relating to the definition of "Federal property," is amended by striking out "(A)" and by striking out ", and (B) any school which is providing flight training to members of the Air Force under contractual arrangements with the Department of the Air Force at an airport which is owned by a State or a political subdivision of a State".

## AVERAGE PER PUPIL COST OF CONSTRUCTION

SEC. 305. The first sentence of paragraph (6) of section 15 of such Act is amended by striking out "increased by a percentage estimated by the Commissioner to represent additional costs for site improvements, equipment, and architectural, engineering, and legal fees, and multiplied by a factor estimated by the Commission to represent the area needed per pupil in minimum school facilities" and inserting in lieu thereof "multiplied by 95"

## INDIAN LANDS

SEC. 306. (a) Paragraphs (1) and (2) of section 14(a) of such Act are amended by striking out "Federal property" and inserting in lieu thereof "Indian lands"

(b) Section 14(b) of such Act is amended by substituting in the first sentence thereof "July 1, 1966" for "July 1, 1961" and "\$60,000,000" for "\$40,000,000" and by substituting in the last sentence thereof "June 30, 1966" for "June 30, 1961".

## CHILDREN FOR WHOM LOCAL EDUCATIONAL AGENCIES ARE UNABLE TO PROVIDE EDUCATION

SEC. 307. Section 10 of such Act is amended by inserting the following sentence after the first sentence thereof: "In any case in which the Commissioner makes arrangements under this section for constructing or otherwise providing minimum school facilities situated on Federal property in Puerto Rico, Wake Island, Guam, or the Virgin Islands, he may also include minimum school facilities necessary for the education of children residing with a parent employed by the United States though not residing on Federal property, but only if the Commissioner determines, after consultation with the appropriate State educational agency, (1) that the construction or provision of such facilities is appropriate to carry out the purposes of this Act, and (2) that no local educational agency is able to provide suitable free public education for such children."

## TECHNICAL AMENDMENT ON JUDICIAL REVIEW

SEC. 308. Section 11(b) of such Act is amended by adding at the end thereof the following new sentences: "The local educational agency affected may file with the court a petition to review such action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner, or any officer designated by him for that purpose. Upon the filing of the petition the court shall have jurisdiction to affirm or set aside the action of the Commissioner in whole or in part." Section 32 of the Act of August 28, 1958 (Public Law 85-791), is repealed.

## EFFECTIVE DATE

SEC. 309. The amendments made by this title and title II of this Act, other than section 308, shall be effective for the period beginning July 1, 1961.

---

[S. 1078, 87th Cong., 1st sess.]

A BILL To amend Public Laws 815 and 874, Eighty-first Congress, in order to make permanent the authorization for certain payments under the provisions of such laws

*Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,* That the Act entitled "An Act relating to the construction of school facilities in areas affected by Federal activities, and for other purposes (Public Law 815, Eighty-first Congress), approved September 23, 1950, is amended (1) by striking out "except that the last such date with respect to applications for payments on account of children referred to in paragraphs (2) or (3) of section 5(a) shall be not later than June 30, 1961" in section 3, and (2) by striking out "except that in the case of an application based on children referred to in paragraph (2) or (3) of section 5(a), the base year shall in no event be later than the regular school year 1958-1959" in section 15(15).

SEC. 2. The Act entitled "An Act to provide financial assistance for local educational agencies in areas affected by Federal activities (Public Law 874, Eighty-first Congress), approved September 30, 1950, is amended (1) by striking

out "ending prior to July 1, 1961" in sections 2(a), 3(b), and 4(a), and (2) by striking out "(except where the determination under the preceding sentence has been made with respect to the fiscal year ending June 30, 1961)" in section 4(a).

---

[S. 1109, 87th Cong., 1st sess.]

A BILL To extend for two years the temporary provisions of Public Laws 815 and 874, Eighty-first Congress, relating to Federal assistance in the construction and operation of schools in areas affected by Federal activities

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That (a) section 3 of the Act of September 23, 1950 (Public Law 815, Eighty-first Congress), is amended by striking out "1961" and inserting in lieu thereof "1963".

(b) Subsection (b) of section 14 of such Act is amended (1) by striking out "1961" each time it appears therein and inserting in lieu thereof "1963", and (2) by striking out "\$40,000,000" and inserting in lieu thereof "\$60,000,000".

(c) Paragraph (15) of section 15 of such Act is amended by striking out "1958-1959" and inserting in lieu thereof "1960-1961".

SEC. 2. The Act of September 20, 1950 (Public Law 874, Eighty-first Congress), is amended by striking out "1961" each time it appears in sections 2(a), 3(b), and 4(a) and inserting "1963" in lieu thereof.

---

EXECUTIVE OFFICE OF THE PRESIDENT,  
BUREAU OF THE BUDGET,  
Washington, D.C., March 8, 1961.

HON. LISTER HILL,  
*Chairman, Committee on Labor and Public Welfare,*  
*U.S. Senate, Washington, D.C.*

MY DEAR MR. CHAIRMAN: This is in reply to your requests for the views of the Bureau of the Budget on S. 8, S. 57, S. 293, S. 433, S. 723, S. 991, S. 1021, S. 1078, and S. 1109. These bills are designed to promote and assist public elementary and secondary education in the United States.

S. 8, S. 433, and S. 723 would authorize grants to the States for assistance to public elementary and secondary schools. S. 8 would authorize a 2-year program of grants to the States for school construction or teachers' salaries; S. 433 would authorize a 4-year program of grants to the States for school construction; and S. 723 would authorize a permanent program of grants to the States for school construction, teachers' salaries, and improvement in the quality of education.

S. 57, S. 1078, and S. 1109 would amend Public Laws 815 and 874, 81st Congress, relating to school assistance in federally affected areas. S. 57 would limit payments under these laws to situations involving tax-exempt Federal property; S. 1078 would make permanent those provisions of these laws which expire June 30, 1961; and S. 1109 would extend these provisions until June 30, 1963.

S. 293 would provide financial assistance to States for educational purposes by returning 25 percent of the Federal tax collected on cigarettes; S. 991 would authorize a credit against the Federal personal and corporation income taxes for real property taxes paid for support of public elementary and secondary education (as well as authorizing tax relief to taxpayers for expenses for higher education and authorizing a national scholarship program).

S. 1021 embodies the recommendations of the President relative to a program of Federal financial assistance for public elementary and secondary education as outlined in the President's special message on education submitted to the Congress on February 20, 1961. This measure would authorize a 3-year program of grants to the States for teachers' salaries, school construction, and special educational needs. It would also amend Public Laws 815 and 874 to recognize a more equitable distinction between payments for children whose parents work and live on Federal property and those for children whose parents work on Federal property but live on taxable property, and with such distinction would make permanent provisions which expire on June 30, 1961.

The administration also has submitted to the Congress proposed legislation to provide assistance to higher education as outlined in the President's special message on education. We believe that S. 1021 together with the proposals for

aid to higher education represent a balanced and essential contribution on the part of the Federal Government to American education.

The Bureau of the Budget recommends against S. 8, S. 57, S. 293, S. 433, S. 723, S. 991, S. 1078, and S. 1109, and instead recommends enactment of S. 1021 which would be in accord with the President's program.

Sincerely yours,

PHILLIP S. HUGHES,  
*Assistant Director for Legislative Reference.*

---

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,  
*March 23, 1961.*

Hon. LISTER HILL,  
*Chairman, Committee on Labor and Public Welfare,  
U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: This letter is in response to your requests of January 10, January 19, and February 2, 1961, for reports, respectively, on S. 8, a bill to authorize Federal financial assistance for school construction and teachers' salaries; S. 433, a bill to authorize Federal financial assistance for school construction; and S. 723, a bill to authorize the appropriation of funds to assist the States in financing a minimum foundation program of public elementary and secondary school education, in order to more nearly equalize educational opportunities, improve teachers' salaries, construct schools, and otherwise improve the quality of such education.

S. 8 would authorize for each of 2 successive fiscal years beginning July 1, 1961, the appropriation of an amount equal to \$20 times a number equal to the school-age population of the United States (5 to 17, inclusive), to be allotted to the States to provide assistance for the construction of public elementary and secondary school facilities or for the payment of public elementary and secondary teachers' salaries, or both. State allotments would be based upon a formula reflecting the relative members of school-age population in each State, the relative income per child of school age, and the effort to finance public elementary and secondary education in the respective States. In addition, State allotments for the second year would be reduced for any State which failed to increase its total public school expenditures in that year over its expenditures in the previous year.

S. 433 would authorize the appropriation of \$250 million for the fiscal year ending June 30, 1961, and for each of the 3 succeeding fiscal years, to be allotted among the States on the basis of the relative number of children in each State below the age of 14 years, for Federal grants to the States for the purpose of financing one-half the cost of constructing public elementary and secondary school classrooms.

S. 723 would authorize the appropriation of such amounts as may be necessary for the fiscal year beginning July 1, 1961, and each fiscal year thereafter for grants to the States to be used for the general purpose of public elementary and secondary education. The amount of the Federal payment to the State would equal the larger of (a) one-half the amount by which a specified sum spent for each public school child exceeds 4 percent of the total personal income of each State, or (b) \$23 per public school child (except that for the year beginning July 1, 1965, and for each year thereafter, only the amount yielded by applying the (a) provision would apply). The specified amounts per public school child would be \$325, \$350, and \$375 respectively, for the first 3 fiscal years, and \$100 for every year thereafter. The amount allotted to any State would not be paid in any year in which expenditures for public school child in such State in the second preceding year fall below the average of expenditures for a specified base period.

In his message on education of February 20, 1961, President Kennedy made specific recommendations for legislation to provide Federal assistance to the States for the improvement and strengthening of public elementary and secondary education, including assistance for school construction, teachers' salaries, and projects to meet special educational needs. These recommendations are embodied in title I of S. 1021, now before your committee for consideration.

In my testimony before your education subcommittee on March 8, 1961, the views of the Department regarding the advantages of the provisions of S. 1021 were set forth and developed. Each of the three instant bills differs materially in the provisions from those of S. 1021. Accordingly, as the provisions of title

I of S. 1021 represent our best judgment of the most effective program for Federal assistance for public elementary and secondary education, we urge enactment of S. 1021.

We recommend that neither S. 8, S. 433, nor S. 723 be enacted.

We are advised by the Bureau of the Budget that there is no objection to the presentation of this report from the administration's standpoint.

Sincerely yours.

ABRAHAM RIBICOFF, *Secretary*.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,  
March 28, 1961.

HON. LISTER HILL,  
*Chairman, Committee on Labor and Public Welfare,*  
*U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: This letter is in response to your requests of January 9, and March 4, 1961, for reports, respectively, on S. 57, a bill to amend Public Laws 815 and 874, 81st Congress, relating to school assistance in federally affected areas, so as to limit payments under such laws to situations involving tax-exempt Federal property; S. 1078, a bill to amend Public Laws 815 and 874, 81st Congress, in order to make permanent the authorization for certain payments under the provisions of such laws; and S. 1100, a bill to extend for 2 years the temporary provisions of Public Laws 815 and 874, 81st Congress, relating to Federal assistance in the construction and operation of schools in areas affected by Federal activities.

S. 57 would amend the existing acts in a number of ways, principally: (1) With respect to Public Law 874, Federal payments on behalf of children who reside with a parent living on private property and employed on Federal property situated in part or in whole within the school district would be reduced from 50 percent to 40 percent of the local contribution rate, and from 50 to 25 percent of the local contribution rate for children who reside with a parent employed on Federal property located outside the school district; (2) with respect to payments under Public Law 815 for the children described in (1) above, the Federal payments per child would be reduced from 50 to 40 percent and from 50 to 25 percent, respectively, of the average per pupil cost of construction; (3) to repeal section 4 of Public Law 874 and section 5(a)(3) of Public Law 815, which provide for Federal payments to a school district on account of increases in the number of children whose parents move into the school district to work for Federal contractors in taxable enterprises; (4) to exclude from the definition of Federal property property owned by the Federal Government but from which State and local authorities can derive tax revenues on the full (or substantially full) value of the property; and (5) would repeal the provisions of Public Law 874 authorizing payments to school districts in years in which they do not meet the 3 percent eligibility requirement and authorizing deduction of taxes paid with respect to Federal property, and the provision of Public Law 815 that provides for additional payment of part of the non-Federal share under certain conditions.

S. 1078 would amend both Public Law 874 and Public Law 815 to make permanent those provisions of the act which expire on June 30, 1961—thus making the acts in their present form permanent.

S. 1109 would extend for 2 years those provisions of Public Law 874 and Public Law 815 which expire on June 30, 1961.

This Department has recommended comprehensive amendments to Public Law 874 and Public Law 815 and, with respect to both acts, would make permanent—as is already the case with respect to children of persons who both work and live on Federal property—the Federal payments authorized to be made to school districts to help them pay the local share of the cost of providing free public education to children whose parents are employed on tax-exempt Federal property but live in taxable houses (or who live on Federal property but work on taxable property). These recommendations are embodied in titles II and III of S. 1021, now before your committee for consideration.

The provisions of titles II and III of S. 1021 represent the considered judgment of this Department as to a sound and permanent program to discharge a continuing Federal obligation in a manner that is equitable to both the affected local school districts and to the Federal Government. Because of the number and complexity of the proposed amendments, we are enclosing a summary of them for the information of the committee. You will note that the amendments recommended by the Department, for the most part, substantially differ from those



proposed in the three instant bills. Accordingly, for reasons which are elaborated in the attached summary, we oppose enactment of the instant bills to the extent that the amendments they would make differ from those recommended by the Department.

We urge enactment of S. 1021, and recommend that neither S. 57, S. 1078, nor S. 1109 be enacted.

We are advised by the Bureau of the Budget that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,

ABRAHAM RIBICOFF, *Secretary.*

#### SUMMARY OF PROPOSED AMENDMENTS TO FEDERAL IMPACT AREA LAWS

Amendments to Public Law 815 and 874, 81st Congress, made by titles II and III of the draft bill to achieve the general objective of limiting these laws more closely to payments in the nature of payments-in-lieu-of-taxes, are:

1. Section 201 of the draft bill would extend on a permanent basis section 2 of Public Law 874, which expires June 30, 1961. This section provides for payments in the nature of payments-in-lieu-of-taxes to school districts which have lost 10 percent or more of their real property tax base as a result of Federal acquisitions since 1938.

2. Section 202 and section 301 of the draft bill would amend Public Law 874 and Public Law 815, respectively, to make permanent—as is already the case with respect to children of persons who both work and live on Federal property—the Federal payments authorized to be made to school districts to help them pay the local share of the cost of providing free public education to children whose parents are employed on tax-exempt Federal property but live in taxable houses (or who live on Federal property but work on taxable property). The bill would, however, reduce the Federal payment per child under Public Law 874 from the present 50 percent of the district's local contribution rate, to 25 percent of such local contribution rate. It would also make a corresponding reduction in Federal payments under Public Law 815 for public school enrollment increases in the number of such children, by reducing the Federal payment per child from 50 percent of the State average per pupil construction costs as at present to 25 percent of such costs.

Existing law proceeds on the assumption that one-half of the local revenues for public school purposes is derived from local real property taxes on residential property, and the other half derived from taxes on commercial and industrial property; on the basis of this assumption, both laws now provide for a Federal payment of one-half of the entire educational costs met out of local revenues in the case of children whose parents live in taxable private homes but work on Federal property (presumably classifiable as industrial or commercial property) or live on Federal property but work on taxable property.

Available data on the source of real property taxation do not support this assumption. The report of a study of property tax assessments in the United States made by the Governments Division, Census Bureau, dated December 16, 1957, indicates, instead, that, on the basis of nationwide averages, only 27.7 percent of the value of locally assessed taxable real property is commercial and industrial property. The highest percentage of such property value in any State is 37.1 percent while the lowest is 9.3 percent. The same Census Bureau figures indicate that 54.1 percent of the value of locally assessed taxable real property is residential property, and the balance (18.2 percent) is acreage and farm property, vacant lots, and other types of real property. Although this ratio in the United States is 27.7 percent, the ratio recommended in the draft bill is 25 percent. The lower figure is believed to be supportable in view of the fact that many school districts eligible for Federal payments under Public Law 815 and Public Law 874 will be suburban communities, and the likelihood that in such communities the proportion of local real property revenues derived from taxes on industrial and commercial property will be somewhat less than the proportion prevailing for all the school districts in the Nation, or in each State, averaged and taken as a whole, as in the Census Bureau figures.

3. Section 203 of the draft bill would amend section 3(c) of Public Law 874 to require that school districts, in order to be eligible for Federal payments on account of children who either reside on Federal property or reside with a parent employed on Federal property, must have in the school year 1961-62 at least 4 percent of their current year's total average daily attendance consisting of such children (instead of 3 percent as at present). In the school



year 1962-63 the required minimum percentage would rise to 5 percent, and in the school year 1963-64 and thereafter the required minimum would be 6 percent.

In view of the substantial economic advantages that inure to most of these communities by the presence nearby of Federal activities, the fact that most such communities have had ample time to adjust their school tax structures to compensate for insubstantial school enrollments of these children, and the proposed availability of general Federal aid to States under title I we believe that payments under Public Law 874 to school districts with less than 6 percent of their school enrollments composed of this category of children can no longer be justified on a payment-in-lieu-of-tax theory.

Also, section 203 of the draft bill would repeal the provision of Public Law 874 which specifies that Federal payments to a school district which is eligible in any year will continue for the 2 subsequent years even though the school district fails in the subsequent years to meet the eligibility requirements of the act. Since the eligibility conditions of the act are presumed to reflect a minimum recognizable financial burden or tax deprivation by reason of the tax-exempt status of Federal property, school districts which fail to meet these requirements in any year should not be eligible for payments merely because such districts may have been eligible in some preceding year.

4. Section 204 of the draft bill would eliminate the provisions authorizing, as an alternative local contribution rate, one-half of the national average cost per child.

When Public Law 874 was originally enacted, it provided that the local contribution rate (the rate of payment per child) was to be the current operating expenses per child met from local revenue sources in the second preceding year in the most nearly comparable school districts in the same State.

By amendment in 1953, a minimum local contribution rate was authorized, which was one-half of the State average cost per child in average daily attendance the second preceding year, and school districts could then in effect choose either of the two methods (comparable districts or one-half the State average) as its local contribution rate.

In 1958 Congress provided for still another alternative minimum rate, which is one-half of the national average cost per child in average daily attendance in the entire United States in the second preceding year, not to exceed the average cost per pupil in the State. This provision, which is still in effect, would be eliminated by the draft bill because it bears no reasonable relation to the portion of educational costs met out of local real property taxes in the particular school district in which tax-exempt Federal property is located. Under it, in fact, some applicant districts are paid the entire cost per child during the year, rather than the local share of the cost. This provision is actually designed to more nearly equalize education in some of the Nation's school districts, rather than to compensate them for a financial burden imposed by the tax immunity of Federal activities, as Public Law 874 is intended to do. To the extent that greater equalization of educational opportunity is a desired Federal objective—and it is—it is properly achieved through the general Federal-aid program in title I of the bill.

Also, section 204 of the draft bill would amend Public Law 874 to provide that, for the purpose of determining the local contribution rate, the Commissioner, in consultation with the State education agency, shall classify school districts in each State into one or more groups in which the districts would be generally comparable to each other. The local contribution rate for any applicant district would be the average expenditures per child for current operating expenses from local revenue sources in all districts in each group. This change would be made in order to facilitate administration of Public Law 874.

5. Section 205 of the draft bill proposes to eliminate subsection (f) of section 3 of Public Law 874 which now authorizes the Commissioner to make a supplementary payment to a school district which made preparation to provide education for a substantial number of children who are expected to enroll in the school district because of an expected expansion of Federal activities, but who do not enroll because the expanded Federal activities fail to materialize. Here, again, the hardship is not caused by the tax immunity of Federal property.

6. Sections 206 and 302 of the draft bill would repeal categories of Federal payments not based on the school attendance of children whose parents live or work on Federal property. Both laws now provide (sec. 5(a)(3) of Public Law 815 and sec. 4 of Public Law 874) for Federal payments to a school district on account of increases in the number of children whose parents move into the

school district to work for Federal contractors in taxable enterprises. Such payments must be justified, if at all, on some basis other than any direct or indirect loss of revenues resulting from the tax immunity of federally owned property; in such situations the property where the parents of the children live and work is fully taxable, and, in fact, the Federal contracts of the employing enterprises generate other revenues to many school districts.

Such burdens as affected communities may experience from sudden and substantial public school enrollment increases occasioned by increased Federal contract activity in the area, do not stem from the tax immunity of Federal property and do not differ from the burdens imposed on school districts by the advent of large private industries not connected with the Federal Government or by other situations resulting in sudden and substantial school enrollment increases. The States can and should make provision for assistance to local school districts to alleviate hardship in such situations and general Federal assistance under title I of the draft bill would be available to the States to help the districts meet any additional teachers' salary or school construction needs in such situations.

7. Sections 207 and 304 of the draft bill would amend the definition of Federal property (sec. 9(1) of Public Law 874 and sec. 15(1) of Public Law 815) to exclude any school which is providing flight training to members of the Air Force under contract with the Department of the Air Force at a State or municipally owned airport. The inclusion of these schools as Federal property is unjustified since the schools are not Federal property, and their tax-exempt status is not due to any Federal tax immunity.

8. Section 208 of the draft bill provides authority in Public Law 874 to require that federally connected membership counted for payment shall be determined on the basis of two pupil-parent surveys made each year, one in the fall and one in the spring, and the ratio of federally connected children to total number of children shown by these two counts applied to total average attendance in the school district at the end of the school year to determine average daily attendance of federally connected children for which payment is made. This change would simplify, and make more objective and uniform, the determinations of average daily attendances under the law.

9. Section 303 of the draft bill would eliminate section 8 of Public Law 815 which presently authorizes additional payments to a school district of an amount sufficient to finance an approved construction project to house a federally connected enrollment increase, if without such additional payments the school district would be unable to construct the project. Consistent with the in-lieu-of-taxpayment rationale, the Federal Government has fully discharged its equitable obligation when the formula payment authorized by the law has been made on account of recognized categories of children connected with tax-exempt Federal property.

10. Section 305 of the draft bill proposes to determine the State average cost of constructing school facilities for purposes of determining rates of payments under Public Law 815 by computing the basic contract cost per square foot for all school facilities constructed in the State in the base year and multiplying this square-foot cost by a factor of 95. Experience over the last 10 years in the operation of this program has shown that a factor of 95 times the square-foot cost, fairly represents the cost per child for minimum school facilities, including architects' fees, equipment, site improvement, and administrative items.

11. Section 306 of the draft bill would extend section 14 of Public Law 815 for 5 additional years with an increased authorization for appropriation. Section 14 was added to Public Law 815 in 1953 to meet the unusual circumstances in school districts which have large numbers of "unhoused" schoolchildren living on tax-exempt Indian lands and which would not meet the enrollment increase eligibility requirements under other provisions of the act. An expenditure limitation of \$20 million under this section was first authorized and was later raised to \$40 million. The draft bill proposes to extend this section until June 30, 1966, and increase the authorization from \$40 million to \$60 million to meet a continuing need of approximately \$3 million a year for facilities for Indian children living on Indian lands. In addition, the draft bill would limit this section to children living on tax-exempt Indian lands, in order to prevent application of the more liberal financing provisions of this section to any school district having children living on Federal property (other than Indian lands), but who are unable to meet the increase requirements for eligibility under the other sections of the act.

12. Section 307 of the draft bill would amend section 10 of Public Law 815 relating to Puerto Rico, the Virgin Islands, Wake Island, and Guam. In 1953, section 6 of Public Law 874, which directs the Commissioner to provide free public education for children living on Federal property when suitable free public education could not otherwise be provided for them, was amended to authorize attendance in schools constructed on Federal property of children of parents employed by the United States stationed in Puerto Rico, the Virgin Islands, Wake Island, and Guam when the Commissioner determined after consultation that no suitable education otherwise was available for such children. At that time, section 10 of Public Law 815 (which is the companion provision to sec. 6 of Public Law 874 and which relates to construction of school facilities for children living on Federal property) was not amended to permit construction on-base of additional school facilities for these off-base children because it was assumed that the number of such off-base children seeking admission to on-base schools would not be sufficient to require any change in Public Law 815. Experience has indicated that this assumption was incorrect. A number of Federal agencies have indicated that they will find it extremely difficult to recruit and hold qualified personnel in Puerto Rico if the children of these Federal employees are not able to attend the on-base school facilities. The draft bill proposes to amend section 10 of Public Law 815 to permit the Commissioner to construct school facilities on Federal property for the children of Federal employees living off Federal property in Puerto Rico, the Virgin Islands, Wake Island, and Guam who cannot otherwise receive suitable free public education.

13. Section 308 would make a technical amendment in the judicial review provision of Public Law 815 (sec. 11(b)) in order to make applicable the provisions of Public Law 85-791 relating to the procedure and records on the review of enforcement of orders of administrative agencies by courts of appeal.

---

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,  
March 21, 1961.

HON. LISTER HILL,  
*Chairman, Committee on Labor and Public Welfare,*  
*U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: This is in response to your request of January 17, 1961, for a report on S. 293, a bill to strengthen State governments, to provide financial assistance to States for educational purposes by returning a portion of the Federal taxes collected therein, and for other purposes.

The bill would authorize to be annually appropriated to each State, for use "for educational purposes only," an amount equal to 25 percent of the Federal cigarette tax collected on cigarettes sold within such State during the preceding fiscal year.

In our view the bill is deficient in the following major respects:

1. The amount of tax collected on cigarettes sold within a given State correlates primarily with the size and smoking habits of the State's population. But these are factors which bear no necessary relation to the ability of a State to finance its urgent educational needs. For example, generally speaking with respect to elementary and secondary education, the more populous States are best able to finance adequate systems of public education. Yet, under this bill, some or all such States would receive grants which, conceivably, would be larger per public-school pupil than the grants received by States unable, despite maximum feasible effort, to expend on their public schools even the national average expenditure per such pupil.

2. The aggregate amount available in Federal grants, and the amount paid to each State would vary from year to year in relation to cigarette consumption, rather than in response to variations in State educational requirements. We believe that the aggregate funds to be made available each year as Federal aid to education should be based on consideration of the needs of the States for educational assistance in relation to other needs which must be met out of Federal resources and determined in accordance with normal budgetary and appropriation procedures, rather than on amounts of revenues produced by a particular tax such as the Federal cigarette tax.

3. The bill would permit a State to use the grants in lieu of current State educational expenditures, which expenditures could then be applied to State needs unrelated to education, or to tax relief.

4. No incentives are provided to the States to increase their current tax efforts, in behalf of education, where those efforts are below the national average.

5. The purposes for which the grants would be available are so broad that the most pressing needs of elementary, secondary, and higher education, from a national standpoint, might not receive adequate support.

The importance of meeting these needs was stressed in the messages of the President on American education, transmitted to the Congress on February 20, 1961. On February 27, 1961, and on March 6, 1961, proposed bills embodying the administration's educational program were transmitted by the President to the President of the Senate, and they are before your committee as S. 1021 and S. 1241. We believe that that program is far better attuned to the Nation's requirements in education than S. 293, and we recommend its early enactment. For this reason, and because of the other major objections above stated, we recommend against favorable consideration of S. 293 or of the approach embodied in that bill.

We are advised by the Bureau of the Budget that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,

ABRAHAM RIBICOFF, *Secretary.*

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,  
March 27, 1961.

HON. LISTER HILL,  
*Chairman, Committee on Labor and Public Welfare,*  
*U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: This is in response to your request for a report on S. 991, a bill to promote education in the United States.

Title I of S. 991 would establish a National Scholarship Board consisting of 13 members appointed by the President with the advice and consent of the Senate and would authorize the award of 1,000 4-year scholarships to eligible secondary school graduates each year, beginning with the academic year which begins in the calendar year 1962, for undergraduate study in institutions of higher learning. The amount of the award would be determined for each year by the Board on the basis of the estimated expense of attending the educational institution in which the scholarship winner was enrolled, but would not be less than \$500 nor more than \$3,000 for any academic year. The Board would determine principles and policies to be followed in the selection of scholars, except that a number of requirements are set forth in the bill. Among these are: (1) An applicant in addition to making a qualifying score on a national examination must submit to the Board an original theme or composition in English as well as a written translation of prescribed material from English into a foreign language and from a foreign language into English; (2) an applicant must have attained secondary school grades which average in the upper 15 percent of the group with which he is completing secondary school; and (3) an applicant must have completed (or be working toward completion of) 4 years of study in English, 3 in mathematics, 3 in history, 3 in a foreign language, and 3 years of study in science or in Greek or in Latin (if the latter are not used for the language requirement).

In his message of February 20, 1961, relative to American education, the President stated:

"We must assure ourselves that every talented young person who has the ability to pursue a program of higher education will be able to do so if he chooses, regardless of his financial means. \* \* \*

"An estimated one-third of our brightest high school graduates are unable to go on to college, principally for financial reasons."

To achieve this objective, the President on March 7, 1961, transmitted to the Congress proposed legislation, now before your committee as S. 1241. Title II of this bill would authorize during the next 5 years a total of 212,500 4-year undergraduate scholarships, for high school graduates selected by State scholarship commissions on the basis of their relative ability to do college work and their relative need for assistance to continue their education through college. We believe that the objective to which the President's message and title II of S. 1241 are addressed—that of encouraging and enabling more able high school students to go to college—is of primary importance, and that legis-

lation like S. 1241 would not only best achieve this objective but also go far toward achieving what seems to be the primary objective of title I of S. 991, i.e., improving the quality of secondary education in this country. We therefore urge enactment of title II of S. 1241 in lieu of title I of S. 991.

Title II of the bill consists of two proposed amendments to the Internal Revenue Code of 1954. The first of these amendments would, within certain limitations, allow a taxpayer to credit against the Federal income tax otherwise payable by him for any year, up to \$100 of the real property taxes imposed upon him in that year for the support of public elementary and secondary education. The apparent purpose of the amendment is to enable States or school districts seeking additional revenues for their public schools to increase the taxes they levy against real property for public school purposes, with the cost of the increase being shifted in large part from the taxpayer to the Federal Government. The amendment does not, however, limit the new tax credit to new or additional real property taxes.

In our view, the proposal is open to the following fundamental objections:

1. No account is taken of the relative needs of States or local school districts for improvements in their public school systems, nor of the State or local resources available to meet these needs. Each area would be able to obtain as much as—but no more than—\$100 per landowner. One consequence of this is that areas having large numbers of people who own small parcels of property could expect to receive a greater return per public school pupil from the increased property taxes than areas in which many people live in apartments or other rental properties or rural areas in which the number of landowners is small. Yet, the relative number of landowners in a school district bears no reasonable relation to its educational needs or its ability to finance them.

2. In areas having adequate public schools, and areas having inadequate schools but unwilling to increase their taxes, local taxes may not be increased in order to obtain the full benefits of the title. Local taxpayers in such areas will nevertheless be able to retain for their own personal use some or all of the tax savings made possible by the proposed tax credit. The consequence of this would be a substantial lowering of the amount of tax money otherwise destined for the Federal Treasury without any corresponding improvement of the existing educational plant in those areas.

3. Even were a State or local taxing district to increase its real property taxes by \$100 per landowner, there is no assurance that the increase would go in whole or in part for educational purposes. If the State or district were assessing at least \$100 per landowner for its public school system prior to its increase, revenues from a \$100 increase in the real property tax could be applied wholly or principally for nonpublic school purposes, although the credit would still be available to the taxpayer.

4. Even if the State or locality were to apply the increase to its public schools, the purposes for which the tax credit would be available are so broad that the improvement of career incentives in the teaching field, and the construction of needed classrooms—needs which we believe are the most urgent from a national standpoint—might not receive adequate support.

5. For the country as a whole only a little more than 50 percent of total school revenues come from real (and personal) property taxes. For 15 States, less than 50 percent of public school revenue derives from this source. Necessarily, then, the benefits of the bill would be conferred in a haphazard fashion; residents of States and communities that finance their school systems in large part from nonproperty revenues would receive less benefit from this title, although from the standpoint of the title's primary objectives they are no less deserving than residents of States and communities that finance their public school systems principally through real property taxes. Moreover, the bill would act as an incentive to the States and communities to resort to real property taxes as a school financing device, notwithstanding the fact that this revenue source is being increasingly recognized as inadequate for effective support of public schools in the years ahead.

The importance of meeting the current national needs in education was emphasized by the President's education message. We recommend enactment of the administration's proposal embodied in S. 1021, which in our view would meet these needs in far more rational, equitable, and effective way than S. 991.

The second of the amendments to the Internal Revenue Code of 1954, proposed by title II of the instant bill, would allow a taxpayer to deduct from his gross income the expenses of higher education furnished to himself, his spouse, and



his dependents. The deduction, limited to \$2,000 for each person with respect to whom such expenses are incurred, would be available for tuition, fees, books and supplies, and (under certain additional limitations) room and board. The deduction would be reduced by the amount by which the taxable income of an unmarried taxpayer (or a married taxpayer filing a separate return) exceeds \$10,000, or by which the taxable income exceeds \$20,000 in the case of a married taxpayer who files a joint return or in the case of a taxpayer who is head of a household.

In his statement in support of the bill, the sponsor, Senator Goldwater, writes, "[A] Federal program to aid our children to secure a college education should be directed toward helping their parents do the job" (107 Cong. Rec. 2193 (daily ed. Feb. 20, 1961)). But measured against this criterion, we believe the bill to be seriously defective. The unfortunate consequence of seeking to accomplish this objective through the tax route selected by the proposal is that, in general, the least help would be provided to those who most need financial assistance. And many of the neediest students (i.e., those dependent upon slender incomes earned by themselves or by their parents or guardians) would receive little or no benefit.

A recent study indicated that it is  $2\frac{1}{2}$  times as likely that a child will go to college if his parents' income is in excess of \$9,000 than if it is less than \$5,000; and that a child in the lower academic half of his high school graduating class is more likely to attend college if his parents' income exceeded \$9,000, than a child in the upper quarter of such class whose parents' income is less than \$5,000. An estimated one-third of our brightest high school graduates are unable to attend college primarily for financial reasons. But under S. 991 families not financially able to send their children to college because of their low income would receive little or no benefit whereas families of relatively substantial means, who would send their children to college whether or not the bill were enacted, would be afforded the most tax relief.

In view of the foregoing, we recommend against enactment of S. 991. We urge, instead, your favorable consideration of S. 1021 and S. 1241, the proposals of the administration in this area.

We are advised by the Bureau of the Budget that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,

ABRAHAM RIBICOFF, *Secretary.*

---

U.S. DEPARTMENT OF THE INTERIOR,  
OFFICE OF THE SECRETARY,  
Washington, DC., March 28, 1961.

Hon. LISTER HILL,  
*Chairman, Committee on Labor and Public Welfare,*  
*U.S. Senate, Washington, D.C.*

DEAR SENATOR HILL: This is a voluntary report on S. 1021, a bill to authorize a 3-year program of Federal financial assistance for public elementary and secondary schools, and to amend Public Law 815 and Public Law 874, 81st Congress, and for other purposes.

We recommend the enactment of this legislation and note with approval that it contains within its purview the territories of Guam and the Virgin Islands. We suggest, however, that each of the three titles of the bill be amended also to include the territory of American Samoa.

The public school system of American Samoa, which is administered by the Government of American Samoa under the competence of the Secretary of the Interior is a cooperative enterprise between the local communities and the Government of American Samoa. The villages provide the elementary school buildings and teachers' quarters, while the Government of American Samoa is responsible for junior and high school structures and the providing of teachers, equipment and supplies for all public schools. Education is compulsory for all Samoans until they reach the age of 16 or have completed the ninth grade. Vocational, teacher training and adult education is also provided by the Government of American Samoa. Educational costs are financed through local revenues, community contributions, and Federal funds appropriated by the Congress.

The public school organization includes 46 elementary schools, 5 junior high schools, 1 senior high school, 1 vocational high school, and one 2-year teacher training college. Nine private schools are also operated in American Samoa. The total school enrollment in 1959-60 was 6,446—5,482 in public schools and 964 in private schools.

Senator Oren E. Long of Hawaii in a statement filed with your committee (the Senate Education Subcommittee) on March 14, 1961, has pointed out the importance of making every effort and exploring every avenue leading to improving the educational plant in the developing territory of American Samoa. With this view we agree. We believe that the inclusion of American Samoa under title I of this bill could have an immediate impact. While it is doubtful whether Samoa's inclusion in titles II and III would have any immediate application it is pointed out that, with the completion of a new jet airport on Samoa by 1963, it is contemplated that the Federal Aviation Agency complement now stationed on Canton Island would be transferred to American Samoa, thereby making a substantial increase in the number of Federal school dependents in certain of the school districts in the airport area.

We believe that whenever possible the provision of Federal grant or assistance programs for the several States should be extended to all the territories of the United States and it is, therefore, urged as a matter of principle as well as of practical assistance that American Samoa be included within the purview of all titles of S. 1021.

The Secretary of the Interior has been delegated the direct executive authority within the Federal Government of administering the territory of American Samoa and also exercises the Federal supervision over the territories of Guam and the Virgin Islands.

A copy of the statement supplied at your request by the Office of Territories of the Department of the Interior is enclosed for ready reference. This provides a brief résumé of the school system of American Samoa.

The probable cost of extending this program to American Samoa for fiscal year 1962, based on 1960 enrollment figures, is estimated at approximately \$153,000.

The Bureau of the Budget has advised that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,

(Signed) JOHN A. CARVER, Jr.,  
*Assistant Secretary of the Interior.*

#### AMERICAN SAMOA

American Samoa is a territory of the United States under the administrative jurisdiction of the Department of the Interior. The public education system is administered by the Government of American Samoa and is a cooperative enterprise between the local communities and the Government of American Samoa. The villages provide the elementary school buildings and teachers' quarters, while the Government of American Samoa is responsible for junior and high school structures and the providing of teachers, equipment and supplies for all public schools. Education is compulsory for all Samoans until they reach the age of 16 or have completed the ninth grade. Vocational, teacher training and adult education is also provided. Educational costs are financed through local tax revenues, community contributions, and Federal funds appropriated by the Congress.

The public school organization includes 46 elementary schools, 5 junior high schools, 1 senior high school, 1 vocational high school, and one 2-year teacher training college.

Nine private schools are also operated in American Samoa.

The total school enrollment in 1959-60 was 6,446—5,482 in public schools and 964 in private schools.

The basic approach to education in American Samoa is to provide training which will enable the people to serve more effectively within their social, economic, professional and political structure. At the same time, education must provide suitable background for those who will find it possible to take advantage of opportunities for higher education in the United States or other countries. As English is the international language and the official language of the Government, it is essential that the children become literate in that language while maintaining the bilingual nature of their society. Instruction in both the Samoan and English languages is, therefore, basic in the school curriculum,



which stresses also the fundamental processes of reading, writing, and arithmetic; science and health; social studies with emphasis on Samoan culture, geography, government, and environment; vocational preparation; and avocational pursuits.

It is the policy of the Samoan Government to upgrade the entire school system as rapidly as possible, with emphasis being placed on the elementary level with the improvement of the teaching staff, and on the junior high school level where the schools will send a better trained group of young people into the high school and community life. Special attention is being given to the teacher training college and related demonstration school. This is essential in order to provide facilities whereby teachers can be better trained to do their job in upgrading the school system.

Scholarship aid for advanced study outside of American Samoa is provided by the local government, by the Frederic Duclos Barstow Foundation, and by civic and church groups. Transportation and subsistence allowances have been provided by the Government to a number of Samoan students granted tuition scholarships by mainland colleges. This aid has been limited in its scope, however, and an objective of the Samoan government is to provide for and promote additional scholarships and special training for qualified Samoans in needed fields.

Local authorities have a voice in matters related to education in the local community through an advisory board of education of seven members, including the director of education, three members appointed by the Governor, and three members who are elected to represent the three districts of American Samoa. Further participation by the local inhabitants in the educational program is indicated by the number of indigenous personnel on the administrative and teaching staffs. With the exception of the director of education, two assistant superintendents and two assistant supervisors, all administrative positions are held by Samoans. The teaching staff comprises 268 teachers, only 13 of whom are non-Samoan.

The teacher-training college was expanded from a 1-year to a 2-year program in September 1960 in an effort to overcome the loss to the school program of a number of trained teachers who have emigrated to the United States.

---

U.S. DEPARTMENT OF LABOR,  
OFFICE OF THE SOLICITOR,  
Washington, April 10, 1961.

HON. WAYNE MORSE,  
*Chairman, Subcommittee on Education, Committee on Labor and Public Welfare,  
U.S. Senate, Washington, D.C.*

DEAR SENATOR MORSE: This is with reference to the labor standards provisions contained in section 112 of S. 1021, a bill to authorize a program of Federal financial assistance for education, and in section 104 of S. 1241, a bill to authorize assistance to public and other nonprofit institutions of higher education in financing the construction, rehabilitation, or improvement of needed academic and related facilities, and to authorize scholarships for undergraduate study in such institutions.

We find these provisions in general accord with established Federal policy that all construction work assisted by Federal financing should be made subject to labor standards provisions for laborers and mechanics employed thereon. However, we consider the exception for donated services, as included inadvertently in the last part of the first sentence of both the above-cited sections, an inappropriate relaxation of this policy with respect to Federal funds spent on public construction.

We, therefore, recommend that the semicolon in line 22 of section 112 on page 16 of S. 1021 be changed to a period, and the following material, beginning with the words "but the State education agency" through the remainder of the sentence, be deleted. We also recommend that the words "to nonprofit educational institutions" be inserted after the word "services" in line 3 of page 7, section 104 of S. 1241.

Very truly yours,

CHARLES DONAHUE, *Solicitor of Labor.*

Senator MORSE. This committee has, three times, in 1947, 1949, and 1960 considered and recommended bills recommending financial aid for education, but three times these bills have been defeated. It was my privilege to have served on this committee on each of those occasions, as did our committee chairman, the Senator from Alabama, Mr. Hill. While this legislation is not a new subject to us, it is important to us. All previous hearings on this subject therefore will be incorporated by reference in these hearings. These prior hearings are to be analyzed by the staff for presentation in the executive meetings of the subcommittee.

Since the Chair made it perfectly clear, at the time he introduced the bill submitted by the President, in the Congressional Record of February 20, 1961, what his position as legislative counsel to the administration while acting as floor manager of the legislation would be, he feels it unnecessary to expand further at this time on that subject. Without objection, he directs that his statement of February 20, 1961, as it appears on pages 2244 to 2250 and 2252 to 2253 of the Congressional Record be inserted at this point in the subcommittee hearings transcript.

(The statement follows:)

[From the Congressional Record, Senate, Feb. 20, 1961]

#### FEDERAL AID TO EDUCATION

Mr. MORSE. Mr. President, I rise first in my capacity as chairman of the Subcommittee on Education of the Committee on Labor and Public Welfare, to make a few comments on the President's special message on education today, and to announce the procedural course of action of my subcommittee. I shall make the latter comment first.

Because I will make so many specific references to the message, I should like to incorporate the message as part of my remarks. I ask unanimous consent that the message be printed in the Record at this point.

There being no objection, the message was ordered to be printed in the Record, as follows:

*"To the Congress of the United States:*

"Our progress as a Nation can be no swifter than our progress in education. Our requirements for world leadership, our hopes for economic growth, and the demands of citizenship itself in an era such as this all require the maximum development of every young American's capacity.

"The human mind is our fundamental resource. A balanced Federal program must go well beyond incentives for investment in plant and equipment. It must include equally determined measures to invest in human beings—both in their basic education and training and in their more advanced preparation for professional work. Without such measures, the Federal Government will not be carrying out its responsibilities for expanding the base of our economic and military strength.

"Our progress in education over the last generation has been substantial. We are educating a greater proportion of our youth to a higher degree of competency than any other country on earth. One-fourth of our total population is enrolled in our schools and colleges. This year \$26 billion will be spent on education alone.

"But the needs of the next generation—the needs of the next decade and the next school year—will not be met at this level of effort. More effort will be required—on the part of students, teachers, schools, colleges, and all 50 States—and on the part of the Federal Government.

"Education must remain a matter of State and local control, and higher education a matter of individual choice. But education is increasingly expensive. Too many State and local governments lack the resources to assure an adequate education for every child. Too many classrooms are overcrowded. Too many teachers are underpaid. Too many talented individuals cannot afford

the benefits of higher education. Too many academic institutions cannot afford the cost of, or find room for, the growing numbers of students seeking admission in the sixties.

"Our twin goals must be: A new standard of excellence in education—and the availability of such excellence to all who are willing and able to pursue it.

#### "I. ASSISTANCE TO PUBLIC ELEMENTARY AND SECONDARY SCHOOLS

"A successful educational system requires the proper balance, in terms of both quality and quantity, of three elements: Students, teachers, and facilities. The quality of the students depends in large measure on both the quality and the relative quantity of teachers and facilities.

"Throughout the 1960's there will be no lack in the quantity of students. An average net gain of nearly 1 million pupils a year during the next 10 years will overburden a school system already strained by well over a half-million pupils in curtailed or half-day sessions, a school system financed largely by a property tax incapable of bearing such an increased load in most communities.

"But providing the quality and quantity of teachers and facilities to meet this demand will be major problems. Even today, there are some 90,000 teachers who fall short of full certification standards. Tens of thousands of others must attempt to cope with classes of unwieldy size because there are insufficient teachers available.

"We cannot obtain more and better teachers—and our children should have the best—unless steps are taken to increase teachers' salaries. At present salary levels, the classroom cannot compete in financial rewards with other professional work that requires similar academic background.

"It is equally clear that we do not have enough classrooms. In order to meet current needs and accommodate increasing enrollments, if every child is to have the opportunity of a full-day education in an adequate classroom, a total of 600,000 classrooms must be constructed during the next 10 years.

"These problems are common to all States. They are particularly severe in those States which lack the financial resources to provide a better education, regardless of their own efforts. Additional difficulties, too often overlooked, are encountered in areas of special educational need, where economic or social circumstances impose special burdens and opportunities on the public school. These areas of special education need include our depressed areas of chronic unemployment and the slum neighborhoods of our larger cities, where underprivileged children are overcrowded into substandard housing. A recent survey of a very large elementary school in one of our major cities, for example, found 91 percent of the children coming to class with poor diets, 87 percent in need of dental care, 21 percent in need of visual correction and 19 percent with speech disorders. In some depressed areas roughly one-third of the children must rely on surplus foods for their basic sustenance. Older pupils in these schools lack proper recreational and job guidance. The proportion of dropouts, delinquency, and classroom disorders in such areas is alarmingly high.

"I recommend to the Congress a 3-year program of general Federal assistance for public elementary and secondary classroom construction and teachers' salaries.

"Based essentially on the bill which passed the Senate last year (S. 8), although beginning at a more modest level of expenditures, this program would assure every State of no less than \$15 for every public school student in average daily attendance, with the total amount appropriated (\$666 million being authorized in the first year, rising to \$866 million over a 3-year period) distributed according to the equalization formula contained in the last year's Senate bill, and already familiar to the Congress by virtue of its similarity to the formulas contained in the Hill-Burton Hospital Construction and other acts. Ten percent of the funds allocated to each State in the first year, and an equal amount thereafter, is to be used to help meet the unique problems of each State's areas of special educational need—depressed areas, slum neighborhoods, and others.

"This is a modest program with ambitious goals. The sums involved are relatively small when we think in terms of more than 36 million public school children, and the billions of dollars necessary to educate them properly. Nevertheless, a limited beginning now—consistent with our obligations in other areas of responsibility—will encourage all States to expand their facilities to meet the increasing demand and enrich the quality of education offered, and gradually assist our relatively low-income States in the elevation of their educational standards to a national level.

"The bill which will follow this message has been carefully drawn to eliminate disproportionately large or small inequities, and to make the maximum use of a limited number of dollars. In accordance with the clear prohibition of the Constitution, no elementary or secondary school funds are allocated for constructing church schools or paying church school teachers' salaries, and thus non-public-school children are rightfully not counted in determining the funds each State will receive for its public schools. Each State will be expected to maintain its own effort or contribution; and every State whose effort is below the national average will be expected to increase that proportion of its income which is devoted to public elementary and secondary education.

"This investment will pay rich dividends in the years ahead—in increased economic growth, in enlightened citizens, in national excellence. For some 40 years, the Congress has wrestled with this problem and searched for a workable solution. I believe that we now have such a solution; and that this Congress in this year will make a landmark contribution to American education.

#### "II. CONSTRUCTION OF COLLEGE AND UNIVERSITY FACILITIES

"Our colleges and universities represent our ultimate educational resource. In these institutions are produced the leaders and other trained persons whom we need to carry forward our highly developed civilization. If the colleges and universities fail to do their job, there is no substitute to fulfill their responsibility. The threat of opposing military and ideological forces in the world lends urgency to their task. But that task would exist in any case.

"The burden of increased enrollments—imposed upon our elementary and secondary schools already in the fifties—will fall heavily upon our colleges and universities during the sixties. By the autumn of 1966 an estimated 1 million more students will be in attendance at institutions of higher learning than enrolled last fall—for a total more than twice as high as the total college enrollment of 1950. Our colleges, already hard pressed to meet rising enrollments since 1950 during a period of rising costs, will be in critical straits merely to provide the necessary facilities, much less the cost of quality education.

"The country as a whole is already spending near \$1 billion a year on academic and residential facilities for higher education—some 20 percent of the total spent for higher education. Even with increased contributions from State, local, and private sources, a gap of \$2.9 billion between aggregate needs and expenditures is anticipated by 1965, and a gap of \$5.2 billion by 1970.

"The national interest requires an educational system on the college level sufficiently financed and equipped to provide every student with adequate physical facilities to meet his instructional, research, and residential needs.

"I therefore recommend legislation which will—

"(1) Extend the current college housing loan program with a 5-year, \$250-million-a-year program designed to meet the Federal Government's appropriate share of residential housing for students and faculty. As a start, additional lending authority is necessary to speed action during fiscal 1961 on approvable loan applications already at hand.

"(2) Establish a new, though similar, long-term, low-interest-rate loan program for academic facilities, authorizing \$300 million in loans each year for 5 years to assist in the construction of classrooms, laboratories, libraries, and related structures sufficient to enable public and private higher institutions to accommodate the expanding enrollments they anticipate over the next 5 years; and also to assist in the renovation, rehabilitation, and modernization of such facilities.

#### "III. ASSISTANCE TO COLLEGE AND UNIVERSITY STUDENTS

"This Nation a century or so ago established as a basic objective the provision of a good elementary and secondary school education to every child, regardless of means. In 1961, patterns of occupation, citizenship and world affairs have so changed that we must set a higher goal. We must assure ourselves that every talented young person who has the ability to pursue a program of higher education will be able to do so if he chooses, regardless of his financial means.

"Today private and public scholarship and loan programs established by numerous States, private sources, and the student loan program under the National Defense Education Act are making substantial contributions to the financial needs of many who attend our colleges. But they still fall short of doing the

job that must be done. An estimated one-third of our brightest high school graduates are unable to go on to college principally for financial reasons.

"While I shall subsequently ask the Congress to amend and extend the student loan and other provisions of the National Defense Education Act, it is clear that even with this program many talented but needy students are unable to assume further indebtedness in order to continue their education.

"I therefore recommend the establishment of a 5-year program with an initial authorization of \$26,250,000 of the State-administered scholarships for talented and needy young people which will supplement but not supplant those programs of financial assistance to students which are now in operation.

"Funds would be allocated to the States during the first year for a total of 25,000 scholarships averaging \$700 each, 37,500 scholarships the second year, and 50,000 for each succeeding year thereafter. These scholarships, which would range according to need up to a maximum stipend of \$1,000, would be open to all young persons, without regard to sex, race, creed, or color, solely on the basis of their ability—as determined on a competitive basis—and their financial need. They would be permitted to attend the college of their choice, and free to select their own program of study. Inasmuch as tuition and fees do not normally cover the institution's actual expenses in educating the student, additional allowances to the college or university attended should accompany each scholarship to enable these institutions to accept the additional students without charging an undue increase in fees or suffering an undue financial loss.

#### "IV. VOCATIONAL EDUCATION

"The National Vocational Education Acts, first enacted by the Congress in 1917 and subsequently amended, have provided a program of training for industry, agriculture, and other occupational areas. The basic purpose of our vocational education effort is sound and sufficiently broad to provide a basis for meeting future needs. However, the technological changes which have occurred in all occupations call for a review and reevaluation of these acts, with a view toward their modernization.

"To that end, I am requesting the Secretary of Health, Education, and Welfare to convene an advisory body drawn from the educational profession, labor-industry, and agriculture as well as the lay public, together with representation from the Departments of Agriculture and Labor, to be charged with the responsibility of reviewing and evaluating the current National Vocational Education Acts, and making recommendations for improving and redirecting the program.

#### "CONCLUSION

"These stimulatory measures represent an essential though modest contribution which the Federal Government must make to American education at every level. One-sided aid is not enough. We must give attention to both teachers' salaries and classrooms, both college academic facilities and dormitories, both scholarships and loans, both vocational and general education.

"We do not undertake to meet our growing educational problems merely to compare our achievements with those of our adversaries. These measures are justified on their own merits—in times of peace as well as peril, to educate better citizens as well as better scientists and soldiers. The Federal Government's responsibility in this area has been established since the earliest days of the Republic—it is time now to act decisively to fulfill that responsibility for the sixties."

MR. MORSE. Mr. President, the administration has honored me by an invitation to introduce the legislation and to serve as its floor leader in the Senate and as its leader in the Senate Committee on Labor and Public Welfare.

Mr. President, I shall speak at length today only because of the fact that I shall not be present after today for the rest of the week. Therefore, I ask unanimous consent to be excused from attendance at the sessions of the Senate for the remainder of the week, because the Committee on Foreign Relations of the Senate is sending me as one of the delegates to the Parliamentary Conference which will be held at Bermuda starting on Wednesday.

THE PRESIDING OFFICER. Without objection, it is so ordered.

MR. MORSE. Mr. President, after consultation with the Parliamentarian, I ask unanimous consent that an education bill be introduced today in behalf of the administration and lie on the desk until 5 p.m., Monday next.

THE PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon? The Chair hears none, and it is so ordered.

The bill (S. 1021) to authorize a program of Federal financial assistance for education, introduced by Mr. Morse, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

Mr. MORSE. Mr. President, in regard to the President's message, I wish to congratulate the President of the United States for the statesmanship portrayed by his special message on education sent to both Houses of the Congress today.

There will always be those who may think the President's message and the bill which will shortly accompany the message do not go far enough or go too far.

As one who is very happy to assume the responsibility of doing what I can in my humble, inadequate way, to seek to carry the administration's bill through the committee and through the Senate, I wish to stress that, in my judgment, the bill represents a fine start in the development of a Federal aid-to-education program.

We have fought on this battleground in the Senate every year of my membership in the Senate, which is now going on 17, and the struggle for some Federal aid to education predated my coming to the Senate. The need in the educational crisis has intensified every year, due in large part to congressional inaction to meet the crisis.

As a member of the Committee on Foreign Relations of the Senate, Mr. President, I believe this has ceased to be solely a domestic issue. This issue now takes on some very serious international implications, because there is a very important race going on in the world for the minds of men. The contestants in that race are the free nations of the world running against the Communist nations of the world.

Mr. President, the enlightenment of the human brain does not exclude the Communists. The evidence and the data presented to our committee last year—in fact, in the last several years—leave no room for doubt about the fact that the Communist segment of the world considers the bringing of educational enlightenment to the young of the countries of the world to be one of its major foreign policies.

#### NATIONAL INTEREST IN EDUCATION

I do not think we are going in any way to help in this debate by spending much time on a comparison of education in the United States with education in the Soviet Union. I simply want the Record to note that we cannot afford, in my judgment, to permit the educational processes of Russia to surpass those of the United States.

There is an emergency need, Mr. President, for us to recognize that the problem of raising educational standards in the United States is a national problem as well as a State problem. There is a national responsibility for this problem, and one cannot read the President's message without being impressed with his recognition that the Federal Government should be willing to assume its fair share of that responsibility, making clear at all times that the safeguards and local control of the educational processes must be protected and must continue to be guaranteed to the States and to the local school districts.

At the very outset of his message the President said, in the first sentence:

"Our progress as a nation can be no swifter than our progress in education."

That is a statement of truth. That has been stated in various language forms throughout our history, starting with Thomas Jefferson, who put the same principle and thought in these words:

"Democracy can be no stronger than the enlightenment of its people."

So when President Kennedy said:

"Our progress as a nation can be no swifter than our progress in education—"

He, in other language, has stated the unanswerable truism which Thomas Jefferson laid down at the very beginning of the life of this Republic.

President Kennedy today called to the attention of the Nation another thought that needs to be emphasized:

"The human mind is our fundamental resource. A balanced Federal program must go well beyond incentives for investment in plant and equipment. It must include equally determined measures to invest in human beings—both in their basic education and training and in their more advanced preparation for professional work. Without such measures, the Federal Government will not be carrying out its responsibilities for expanding the base of our economic and military strength."

I am very happy that President Kennedy started early in his message to lay the foundation for that emphasis, because when we talk about education,



we are also talking about the security of this country, both its economic and military security.

The President has referred to human resources. I think one of the saddest things in the American scene today is the great waste of our human resources, and we find that waste really at its height in connection with our educational processes.

We are sending tens of thousands of American boys and girls to elementary and secondary schools whose standards of education are so low that we in effect deny a college education to those who graduate from such secondary schools, because they do not maintain a standard of education sufficient to qualify their graduates even for admittance to college.

It is interesting, when we take a look at the so-called academic casualty list of colleges in this country, as many of our educators have done—and they have supplied our congressional committees with their research findings—to note that those casualty lists bear a direct relationship to the academic standards of the high schools from which the students came. So President Kennedy is to be commended and praised, in my opinion, for calling the attention of the American people in his statesmanlike message today to the need to conserve our human resources and to develop the educational potential of the young men and women of our Nation.

#### NEED FOR LOCAL CONTROL

Also, at almost the beginning of his message—in fact, in the fifth paragraph of the message—President Kennedy once again stated, as he used to state on the floor of the Senate, and as he stated over and over again in his historic campaign for the presidency, that the control of education must remain in the States and the school districts. It continues to be his view that the Federal Government's part in the educational process of our country is to aid the States in their financial assistance to local school boards. The Federal aid would pay the costs that can be fairly attributed to the Federal Government as its share because of the Federal interest in guaranteeing to every boy and girl in this country, regardless of where he or she happens be born, the minimum standards of education necessary to give assurance that that boy or girl will have an opportunity to develop to the maximum of his ability.

In the fifth paragraph of his message the President said:

"Education must remain a matter of State and local control, and higher education a matter of individual choice. But education is increasingly expensive. Too many State and local governments lack the resources to assure an adequate education for every child. Too many classrooms are overcrowded. Too many teachers are underpaid. Too many talented individuals cannot afford the benefits of higher education. Too many academic institutions cannot afford the cost of, or find room for, the growing numbers of students seeking admission in the sixties."

It might very well be said that in that well-written paragraph the President has submitted his bill of particulars in advocating passage by this session of Congress of what I consider to be the very modest educational program he has offered in his message. I can assure the Senate that it will be offered within a few hours in a bill that the White House itself will sponsor. The President said in his message:

"Our twin goals must be: a new standard of excellence in education—and the availability of such excellence to all who are willing and able to pursue it."

The President has spoken about the need for classrooms, improvement in teachers' salaries, better teachers, scholarships, and assistance to institutions.

He further said:

"But providing the quality and quantity of teachers and facilities to meet this demand will be major problems. Even today, there are some 90,000 teachers who fall short of full certification standards. Tens of thousands of others must attempt to cope with classes of unwieldy size because there are insufficient teachers available."

Let me make very clear—because we shall drive this point home time and time again in the days immediately ahead—that the decision as to how much of the Federal allocation to a State shall go to teachers' salaries is to be left to the States. If the State decides that it wants all the Federal allocation to go to school construction, that is its business, and there will be nothing in the bill that will prevent a State from making that choice. If, on the other hand, a major problem confronting any State is the problem of teachers' salaries, if



its problem is the problem of an inadequate supply of teachers because of inadequate pay, the State should have the right to use all or most of the money allocated to that State from the Federal Government for teachers' salaries, so far as our elementary and secondary schools are concerned.

I surmise what will happen in most instances is that the State will weigh its relative needs as to physical facilities and teachers' salaries, and that part of the money will be used for teachers' salaries and part of it for school construction.

#### SUPPORT OF ADMINISTRATION BILL

There are sections of the bill that may result in some difference of opinion both in committee and within the Senate. However, I wish to make clear what the position of the senior Senator from Oregon will be on the President's bill. I will support the major provisions of the President's bill. As chairman of the subcommittee, I shall owe to the President the duty, as legislative counsel, so to speak, to do everything I can to secure approval of the President's bill in committee and passage of it on the floor of the Senate.

The President understands, as I am sure all of my colleagues in the Senate understand, that of course I reserve the right to support any amendment in my capacity as a Senator, representing the people of Oregon, that I believe to be appropriate to the bill.

I shall not offer any major amendments to the President's bill, because, disagree as anyone may with me, if I am going to serve to the best of my capacity as the floor leader of the bill, then I owe it to the President to try to get his bill through in the form in which he proposes it, subject always, of course, to further instructions from the President in case he should at any time see fit to advise us that he finds a particular amendment acceptable.

Of course, I take this position only because I have long favored and worked for the objectives of the President's message. If I opposed any major measure under the jurisdiction of my subcommittee, I would not undertake to serve as floor manager for it.

I shall have something more to say about my position as legislative counsel in regard to the bill in just a moment. However, I wish to call attention now to the part of the President's message that reads as follows:

"Based essentially on the bill which passed the Senate last year (S. 8), although beginning at a more modest level of expenditures, this program would assure every State of no less than \$15 for every public school student in average daily attendance, with the total amount appropriated (\$600 million being authorized in the first year, rising to \$800 million over a 3 year period) distributed according to the equalization formula contained in the last year's Senate bill, and already familiar to the Congress by virtue of its similarity to the formulas contained in the Hill-Burton hospital construction and other acts. Ten percent of the funds allocated to each State in the first year, and an equal amount thereafter, is to be used to help meet the unique problems of each State's areas of special educational need—depressed areas, slum neighborhoods and others."

#### FORMULA FOR AID DISTRIBUTION

This raises the formula debate. We always have considerable difference of opinion among us as to what formula should be applied in any Federal aid to education bill. In my consultations with spokesmen for the administration in regard to the bill, I have come to the conclusion that the President in his recommendation on formula, which I have read to the Senate, is offering a formula which in my judgment is good ground for agreement.

I will not quarrel with the right of Senators, in committee or in the Senate, to suggest a change in the formula. However, I will constantly put this question to them: "Do you really want a bill?" I believe that when we come to grips with the formula we come to grips with the most important question as to whether we are going to have a bill enacted at all.

Here is a formula fair to all the States concerned. I do not believe it can be used by any State as a reason for opposing the bill. Here is a formula that is workable. It is entitled to a trial.

I say it most respectfully to any Senator who disagrees with me that support of this formula is a test as to whether we want to join the President and give him the support to which I believe he is entitled for the trial period proposed in the bill.

That causes me to point out that the President is not asking for permanent legislation in the bill. He is offering a bill for a trial period. Members of the press said to me in the pressroom a few minutes ago, "Senator, you know we need Federal aid to education on a permanent basis. Why is the administration sending up a bill that is not on a permanent basis, but proposes a 2- to 5-year program?"

Mr. President, this proposal commends itself to the Senate, because the bill offers a ground for common agreement among us for the trial period for which the President offers it. Therefore, I make a plea now, in advance of our hearings, and in advance of our debate in the Senate, for the maximum of unity and the maximum of agreement among us in the Senate—yes, for a maximum of waiving of individual Senator's personal preferences in regard to what the formula should be, to the end that we can get started this year with a Federal aid-to-education bill for the trial period asked for by the President.

I do not speak for the President when I put it this way, but I certainly speak for myself. Let us give the President's proposal a trial, reserving to future sessions of Congress the responsibility and the duty, on the basis of what the results of that trial period show, a perfecting of the bill, if it is discovered that imperfections are, in fact, contained within it.

So much of our debate on Federal aid to education has to be in the realm of speculation anyway. Therefore, I wish to make the plea to Democrats and the Republicans alike in the Senate, to recognize that this is a reasonable proposal on the part of the President.

The President says:

"This is a modest program with ambitious goals. The sums involved are relatively small when we think in terms of more than 36 million public school-children, and the billions of dollars necessary to educate them properly. Nevertheless, a limited beginning now—consistent with our obligations in other areas of responsibility—will encourage all States to expand their facilities to meet the increasing demand and enrich the quality of education offered, and gradually assist our relatively low-income States in the elevation of their educational standards to a national level."

I stress the President's comment that this is a modest proposal. In fact, there are those in the Senate who have said to me, since the message came to the Senate, that it does not go far enough. They have indicated that they think it is too modest. I think it is modest, too, in terms of the total need. But it is a good bill in terms of a measure which we have a real prospect of enacting into law.

In offering the modest bill, the President is offering a bill which is a good start. Once it is put on the statute books, it will soon prove to the American people the legislative soundness of the philosophy that is involved in the bill.

#### START IN MEETING FEDERAL RESPONSIBILITY MUST BE MADE

That is what is needed, perhaps more than anything else in regard to a Federal aid to education bill today. What is needed is an education bill which will help to educate the American people as to the soundness of the legislative philosophy behind a Federal aid to education bill. The bill proposed by the administration is a great educational instrument for that purpose, too.

It is rather paradoxical for me to be saying this on the floor of the Senate, because all one has to do is to turn to the Congressional Record of years gone by and read that the senior Senator from Oregon has always offered and advocated a bill which provides more than this bill will provide. Many Senators have supported me in that effort and I think that our efforts can be seen in this measure. However, I am satisfied that the President is more right than we would be if we took the position we have taken in the past, and asked for what might be considered to be a more perfect program from the standpoint of providing all the aid that we really ought to provide to the schools of America. I also point out that with steadfast support from the administration, we may be able to wind up with a better bill than by starting with a more far-reaching one.

This bill is a good beginning. I make my plea for it because it is a good beginning and because we ought to make a start now. With the agreement on the part of Senators who wish to go further that they will accept this much for this year, we can give reasonable assurance not only to the President but also to the country that we can pass this year a Federal aid to education bill which the President can sign.

## ROLE OF PRIVATE SCHOOLS IMPORTANT

Mr. President, I now turn to a paragraph in the President's message which will elicit some controversy in our committee hearings and in our debate. Undoubtedly, it will elicit opposition from some groups in our country. It is a paragraph which in the past has found me on the other side of the issue from the President of the United States when he was a Senator from Massachusetts.

However, let me make it very clear now that I stand with the President in this session of Congress in support of his immediate recommendation. As I have in the past, I shall not offer amendments on this particular subject matter, because I shall practice what I preach when I urge Senators to be willing to set aside some of their favorite proposals of the past, sincerely offered, as I have always offered my own, because they thought their proposals were in the interest of strengthening the Federal aid to education bill. In asking them to set their proposals aside in order to make a start this year, I shall practice that policy myself in respect to the subject matter to which I now turn.

The President says in the paragraph to which I refer:

"The bill which will follow this message has been carefully drawn to eliminate disproportionately large or small inequities, and to make the maximum use of a limited number of dollars. In accordance with the clear prohibition of the Constitution, no elementary or secondary school funds are allocated for constructing church schools or paying church schoolteachers' salaries; and thus nonpublic schoolchildren are rightfully not counted in determining the funds each State will receive for its public schools. Each State will be expected to maintain its own effort or contribution; and every State whose effort is below the national average will be expected to increase that proportion of its income which is devoted to public elementary and secondary education."

This paragraph involves two subjects of controversy in the Senate, based upon our past debates on Federal aid to education. It involves, first, the question as to whether any Federal funds should ever go to the benefit of a child who is being educated in a private school. It should be noted that the President has made very clear in the language of this paragraph that he is talking about grants, because he says:

"In accordance with the clear prohibition of the Constitution, no elementary or secondary school funds are allocated—"

That is, on a grant basis—

"for constructing church schools or paying church schoolteachers' salaries."

I completely agree with the President. I have taken the position consistently in the Senate that under the doctrine of the separation of church and state, grant money should not be made available to private schools.

My difference in the past with the President of the United States, when he was a Senator from Massachusetts, was in connection with loans, for which interest is paid, to a private school, for the construction of school facilities. I have argued before—and if I were to offer my amendment this year, which I shall not do, I would argue again—that the private schools of this country perform a very important public service to all the taxpayers.

If anyone has any question about that, he has only to look at the hypothesis I always raise in debate on this subject matter: Suppose that today it were decided to close every private elementary and secondary school in America, and the children now attending those schools appeared tomorrow morning at all the public schools in the United States. Then I think all the taxpayers of the country, probably for the first time, would have a clear understanding of the public service which is rendered the taxpayers by the private schools of the United States, because those private schools, in fact—and the parents who support those private schools—reduce considerably the school tax burden of all the parents of America who send their children to the public schools.

So I never lose sight of two things in the debate on this matter: First, the public service which is rendered by the private schools; and second, the child. Too often in our debate on this subject we lose sight of the beneficiaries of the program we seek to enact—the children themselves. I am interested in making certain that the child who goes to a private school also has the advantage of those minimum standards of education which will make it possible for that child in the private school to develop his intellectual potential to the maximum extent possible.

We do not serve the cause of education well by practicing a discriminatory policy against the child in a private school by denying that child the maximum development of his intellectual potential.

However, no Member of this body is a more ardent defender of the constitutional doctrine of separation of church and state than the senior Senator from Oregon. I did not teach that doctrine for years and years in the law school only to walk out on it simply because I entered politics.

However, the doctrine has nothing to do with a loan program, so far as constitutional law is concerned. If the Federal Government makes a loan to a private school, whether it be a Catholic school, a Baptist school, a Presbyterian school, or a nonsectarian school, it is not a financial grant to an institution for religious purposes. To the contrary, it is a loan to an institution which is performing a very worthwhile educational function in this Republic.

Whenever we grapple with this problem in debate the precedents are on my side, because Congress has followed a loan policy in regard to many private institutions in this country. We have provided for loans which bear interest and, therefore, not cost the taxpayers a red cent. We have recognized the right of the Government to be of assistance to institutions which perform a great service in keeping this democracy strong.

We make loans to Baptist hospitals, for example. We make loans to other hospitals which are sponsored and supported by church denominations. We make loans under the National Defense Education Act to provide loans to high schools, universities, and colleges, which are church schools. We have heretofore debated this constitutional question.

So I repeat today, simply for the record, my challenge to anyone to establish by legal argument any violation of the Constitution of the United States in providing a policy of lending to private institutions in this country, whether they are private schools or other private institutions.

Then, of course, there is another phase of this argument. We should not lose sight of what the separation-of-state-and-church doctrine really means in our constitutional history. When our Republic was born, 9 of the 13 Colonies had State churches or Colony churches, a church had been designated as the church of the particular Colony. The so-called separation-of-state-and-church doctrine was written into the Constitution in order to make clear that there was a prohibition against setting up a national church. That is the meaning of the separation-of-state-and-church doctrine.

It never was contemplated that it should be broadened to include denial by the Federal Government of the making to a private institution of an interest-bearing loan to be of assistance to that institution in carrying out a secular purpose.

Mr. President, when we are dealing with the educational function of a private school, we are dealing with small children. I do not propose ever to lose sight of them when I am talking about seeing to it that the children of America—irrespective of the religion of the families into which they are born, irrespective of the happenstance of birth—are never denied the right to have a chance for the maximum development of their intellectual potential.

We know the kind of old, bewhiskered argument that is used; it is said that there is nothing to stop their parents from sending them to public schools. But, Mr. President, liberty and freedom also encompass, in my judgment, the matter of parental choice in regard to the precious, sacred right of parenthood to judge, as parents, according to their sights, the environment in which they wish their children to be brought up. The State should not lose sight of the State interest in seeing to it that the mental resources of our country are not wasted by denying to children who attend private schools the maximum opportunity for the development of their intellectual potential.

So, I make this statement because I want the record to show clearly that in no way have I retreated from my belief and my conviction that it falls within the jurisdiction of the Federal Government, and in no way is a violation of the separation of state and church doctrine, to have a program of loans to private schools, with the money to be spent solely in connection with the educational processes of those schools.

But it is well known that when the President of the United States was a Senator from Massachusetts, he opposed my amendment. He opposed it as a candidate for the Presidency. I respect his point of view. I call attention to the fact that my amendment is not a part of his message, and his message makes very clear that he is opposed to any grants to private schools. And so am I; and I made that very clear, last year.

But this afternoon the press—always looking, you see, for some basis for saying that a conflict exists between Members of Congress and members of the administration, and, may I say—and I do not think I am unduly sensitive about

It particularly looking, always, for a chance to show the existence of some conflict between the senior Senator from Oregon and either his colleagues in the Senate or the administration, wanted to know what I was going to do about the Morse amendment I offered last year for construction loans to private schools. I announced to the press, and I repeat now, that I am just not going to offer the amendment. I am going to keep faith with the plea I made a few moments ago to my colleagues in the Senate, when I asked them to resolve their differences of the past in regard to Federal aid to education, and to recognize that the President has offered a modest but sound program, a program that gives us the greatest chance of any we have had in years to establish in the legislative policy of this country, a Federal aid to education bill. This will not be, and should not be, the last word on the subject. The fact that it be only of 3 years' duration assures us of an early review of it.

In that spirit of complete cooperation with the President of the United States, and in keeping, I believe, with the soundest legislative policy we can follow at this session of Congress, I announce, Mr. President, that I will not offer my amendment of the past, which sought to establish a loan program for private elementary and secondary schools.

Mr. MEYER. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. MEYER. I have listened with a great deal of pleasure to the remarks of the Senator from Oregon on education.

Eight years ago, when I came to the House of Representatives, my first committee meeting attendance was as a member of a special subcommittee headed by Representative Kearns, of Pennsylvania; and we came in. In a Republican Congress, with a recommendation that Federal aid and Federal support of education be provided. In all the 8 years since then, I have worked for some sort of Federal aid to education, in order to carry out the declaration made by that committee. The distinguished Senator from Montana, whose seat I now occupy, Senator Murray, and I, introduced what we believed to be a minimum bill. In fact, many schoolteachers throughout the Nation think my first name is Murray, because of the Murray-Metcalf bill. We wanted to have \$25 a pupil provided as a minimum program, to start with, and going up to \$160 in the fourth year.

The program the President sent to Congress calls for less than that. However, I agree with the Senator from Oregon. Let us begin. Let us have a minimum program to start with.

I am going to support the President's bill, just as the Senator from Oregon has said he is going to support it, because this is a way to get Federal aid to education "on the road," and because the educational crisis we now face is our gravest domestic crisis.

I wish to say to the Senator from Oregon that 24 years ago I served as a member of the House of Representatives of the Montana State Legislature, and at that time I voted for a transportation bill to permit schoolbuses to pick up the Catholic boys and girls and the Baptist boys and girls who were attending parochial schools. I voted for that bill because I saw no reason why the schoolbuses should leave those children standing beside the roads without any further cost to the State of Montana.

I would support the Senator's amendment as submitted last year; but again I think it is wise to start with a minimum program, and see where we are going, and reevaluate it 3 years from now.

I listened with a great deal of pleasure while I heard the Senator from Oregon state that this is a basic program. It is not enough, in my opinion. It is not enough in the opinion of the great Senator who preceded me. But this is a beginning in an effort to solve a grave domestic problem, and we must start.

Mr. MORSE. I wish to thank the Senator from Montana, and to pay tribute to him today in the Record. In the Subcommittee on Education, the Democratic side of the committee has thought so highly of the views of the Senator from Montana (Mr. Metcalf) on education and has been so well aware of the many years of devoted service he has rendered to the cause of education in the House, that we have taken him with us in all our conferences with spokesmen for the administration.

Mr. METCALF. I have been very grateful to the chairman of the subcommittee for allowing me to participate in the conferences and discussions. It has been a real pleasure to work with the subcommittee.

Mr. MORSE. Mr. President, a great deal of education must be done in the country with respect to my amendment of last year. There is a great deal of

opposition to it in many parts of the country based on a misunderstanding and a failure to appreciate the philosophy behind it. I do not want to jeopardize this bill by getting involved in any controversy we do not need to get involved in. I make this plea to my colleagues to follow the example that I seek to set, myself, as the leader who has the responsibility to do what I can to get this bill through the Senate.

Furthermore, the Senator from Montana (Mr. Metcalf) just spoke about legislation which was passed 24 years ago in the Montana Legislature. Such legislative power vests in all the legislatures of the country. After all, if it is believed in any State that there is any public interest in the proposal I have made in the past in regard to loans to private schools, there is nothing that can stop a State legislature from following such a policy in its own State.

#### INCONSISTENT OPPOSITION TO PRIVATE EDUCATION AID

This amendment always stirs up highly emotional reactions in various parts of the country, although I want to say, in passing, that I have never been able to see the consistency in the position taken by some of my colleagues that they are against interest-bearing loans to private secondary and elementary schools, but vote for loans to private higher educational institutions that function under a denominational sponsorship.

Nor do I see very much consistency in that position when it also holds that it is all right, in the granting of a scholarship program, to permit the student to select a school—and it may be a private denominational school—and then, have an additional payment made to that college or university for the cost of educating the student over and above the cost covered by the tuition.

However, in order to protect my own record, and to avoid the charge that I am following an inconsistent course of action in regard to this bill, I have made this statement in regard to my stand concerning loans to private schools.

I repeat, first, in my judgment, they are clearly constitutional.

Second, I think they would be in the public interest.

Third, I shall refrain from offering any amendment now because I think we ought to make a start this year with this bill and we ought to seek to eliminate from our discussion every controversial proposal that we can which would in any way jeopardize the objectives of the administration bill.

Without taking the time to read it all, I ask unanimous consent that paragraphs of the message containing the President's recommendations in regard to the current college housing loan program and a low-interest rate loan program for academic facilities be inserted at this point in my remarks.

There being no objection, the extracts were ordered to be printed in the record, as follows:

"1. Extend the current college housing loan program with a 5-year, \$250 million-a-year program designed to meet the Federal Government's appropriate share of residential housing for students and faculty. As a start, additional lending authority is necessary to speed action during fiscal 1961 on approvable loan applications already at hand.

"2. Establish a new, though similar, long-term, low-interest rate loan program for academic facilities, authorizing \$300 million in loans each year for 5 years to assist in the construction of classrooms, laboratories, libraries, and related structures—sufficient to enable public and private higher institutions to accommodate the expanding enrollments they anticipate over the next 5 years; and also to assist in the renovation, rehabilitation, and modernization of such facilities."

Mr. MORSE. Here again I think the President has proposed a modest program, a program we ought to readily accept and put through the Senate.

Now I come to the matter of scholarships.

There always seems to be greater support of and interest in the Senate in a scholarship program than in almost any other phase of an education bill.

In his message, the President says:

"Today private and public scholarships and loan programs established by numerous States, private sources, and the student loan program under the National Defense Education Act are making substantial contributions to the financial needs of many who attend our colleges.

"While I shall subsequently ask the Congress to amend and extend the student loan and other provisions of the National Defense Education Act, it is clear that even with this program many talented but needy students are unable to assume further indebtedness in order to continue their education."

I have in my hand a letter written by the president of the Associated Students of the University of Oregon. The president of this group points out that the student loan fund at the University of Oregon is completely depleted and that there is great need for a deficiency loan, so that National Defense Education Act funds can be matched. I completely support the position of the president of the Associated Students of the University of Oregon, and I ask unanimous consent that the letter to which I have referred be incorporated in the Record at this point in my remarks.

There being no objection, the letter was ordered to be printed in the Record, as follows:

ASSOCIATED STUDENTS,  
UNIVERSITY OF OREGON,  
*Eugene, Oreg., February 8, 1961.*

Hon. Senator WAYNE MORSE,  
U.S. Senate Office Building,  
Washington, D.C.

DEAR SENATOR MORSE: A crisis situation has recently come to our attention concerning student loan funds at the university. It seems that borrowing has been so heavy in the last few months on our student loan program that the fund is depleted and if all of the present loans are established, the fund will be reduced to only \$488 and at the time that this was written, the controlling accountant for the university had 10 applications for loans on his desk.

As a result of this general loan fund depletion, it is impossible for the university to match national defense loan funds, even though we still have some credit available in national defense loans before reaching our maximum.

This deficiency of loan funds may mean that students who are operating on a restricted budget will be unable to finish out the term or attend next term because there are no emergency funds available in our own general loan fund to tide them over.

Our emergency funds can come only from endowments and gifts.

I know you will recognize the situation that this puts many students in. Is there any possibility of emergency legislation to help avert this situation? Any action you can take would be greatly appreciated.

We sincerely thank you for your presentation of the myrtlewood gavel to President Boland and are anticipating your attendance at the model United Nations in April.

Enclosed you will find a statement of our loan situation.

Sincerely yours,

STEVEN R. SCHELL.

Mr. MORSE. The President of the United States talks about the need for scholarships and the need for offering some assistance to the institutions that are selected by the winners of scholarships to pay for part of the cost of educating these students over and above the tuition costs. In his message, he says the scholars "would be permitted to attend the college of their choice, and free to select their own program of study. Inasmuch as tuition and fees do not normally cover the institution's actual expenses in educating the student, additional allowances to the college or university attended should accompany each scholarship to enable these institutions to accept the additional students without charging an undue increase in fees or suffering an undue financial loss."

It is a very good proposal. It is identical with the proposal I offered as an amendment to the National Defense Education Act when it was first before the Senate; and I am sure the President of the United States will enjoy my good-natured comment when I say that at the time I offered it, he, as a Senator from Massachusetts, as I recollect, opposed my amendment.

Although none of the scholarship features of that bill became law, a similar grant to the institution is provided for fellowship awards for postgraduate study.

The President has demonstrated, as he does so frequently, that he believes in following where the facts lead. I judge from this recommendation that he has come to understand the soundness of the position many of us took in the Senate when, at the time the National Defense Education Act was before us, we offered as an amendment the very same recommendation he now offers in his message to the Senate. The President may be sure that he will have our wholehearted cooperation in doing what we can to see that the bill which is passed will contain that proposal.



## HEARINGS PLANNED NEXT WEEK

Mr. President, I shall close my comments on the President's message as I turn to another subject by announcing that, subject to the approval of my subcommittee, I hope hearings may be begun by Wednesday of next week on the administration's bill. It may be, because of a conflict in schedule within the Senate Committee on Labor and Public Welfare, that we cannot start Wednesday of next week, because we may not at that time have completed certain hearings which have already been arranged on other subject matters. I hope that if we cannot start on Wednesday of next week we shall be able to start on either Thursday or Friday of that week.

I think that will give the Senate ample opportunity to consider the bill. It will give interested groups, which may wish to send witnesses to the committee, adequate time to prepare for the hearing. The hearing should be held at the earliest possible date. We should get the bill from the committee to the Senate. I am going to strive to get a bill to the Senate not later than March 20, and I hope I can do so at an earlier date.

I close this part of my speech this afternoon by congratulating the President again on the great message he has sent to us and on the statesmanship portrayed by his proposal on a Federal aid-to-education bill.

\* \* \* \* \*

Mr. MORSE. Mr. President, the publication *School Management* for February 1961, carries an article entitled "Can Our States Support Good Schools?"

It is an excellent summary of the problem of financial support of our educational system. An editor's note accompanying the article states:

"The issue of Federal aid to education has already been raised in this session of Congress, and there is little doubt that it will be a major question for many months. More than that, no matter what action our representatives take this year, it is destined to remain a major issue on our political scene for some time to come.

"The following article is based on a speech prepared by Sam Lambert, research director of the National Education Association. Although Mr. Lambert's position is obviously a partisan one (the NEA has been a leader in the fight for greater Federal aid to education), it is not our intention in presenting this material to take sides in the matter. We do, however, hope to present some facts and figures on past, present, and future support of the public schools that will serve as the basis for constructive discussion of the problem."

Mr. President, I ask that the text of this survey of financial support of education be printed in the Congressional Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

#### "CAN ALL OF OUR STATES SUPPORT GOOD SCHOOLS?"

"More money is spent on public education each year than on any other single public activity other than national defense. And, within a decade or two, spending for education may actually outstrip spending for defense.

"In 1949-50, it cost \$5.8 billion to keep our elementary and secondary schools running. Last year, expenditures almost tripled to an estimated \$15.5 billion. It has been estimated by many economists and statisticians that, at the present rate of growth and expansion, the public schools will probably cost \$31 or \$32 billion each year by 1970.

"Where is this extra \$15 billion to come from?

"Some of it is going to come from increased revenues from present taxes. Our gross national product (the value of all goods and services produced in the United States in a single year) is increasing rapidly. At present about 3 percent of the GNP is captured for public education. Assuming that this percentage remains constant, that alone would account for almost one-half of the extra \$15 billion in 1970. What about the rest of the money needed for education?

#### "PROPERTY TAXES

"The greatest part of school revenue today is raised on the basis of property taxes. These taxes amounted to \$129 per person in New Jersey in 1959. In California, \$130 per person was being spent on property taxes and in Massachusetts the figure was \$133. In 1959, property taxes exceeded \$100 per capita in 15 States. For the country as a whole, property taxes now amount to almost 4 percent of personal income.

“It is doubtful if these taxes can be raised much higher than they stand onw without overcoming tremendous resistance.

“STATE TAXES

“In recent years, the States have been carrying about 40 percent of the cost of the public schools. Can the growing variety of States taxes continue to carry two-fifths of the cost of public education?

“Unfortunately, where local taxes are low State taxes are usually corre- spondingly high. This is not always true, but an examination of the levels of State and local taxes will reveal a large degree of inverse relationship. In 1959, State taxes in the State of Washington amounted to \$148 per capita, in Delaware \$149 and in Hawaii \$170. Even in the relatively poor State of Louisi- ana, State taxes amounted to \$137 per capita. In the fiscal year 1959, State taxes amounted to over \$100 per capita in 15 States. According to the Bureau of Census, the national average that year was \$91 per capita.

“State taxes in 1959 amounted to \$8.64 per \$100 of personal income in Hawaii. In the States of Louisiana and Mississippi, State taxes amounted to \$8.37 and \$7.24 per \$100 of personal income. For the country as a whole, these taxes require 4.2 percent of personal income. These figures are for fiscal 1959. They have gone up since then.

“PROPERTY AND STATE TAXES

“Since the support of public education is a cooperative enterprise of local and State governments, the only way to make sense out of this picture is to put all State and local taxes together and see how the overall problem looks. For example, State and local taxes combined, for the year 1959, amounted to \$265 per capita in California, \$253 in New York, and \$245 in Nevada. There are 13 States where the combined State and local taxload amounts to over \$200 per person in the population. Looking at this another way, in South Dakota, State and local taxes in 1959 amounted to \$12.28 per \$100 of personal income. There were eight other States where State and local taxes amounted to over 10 percent of personal income (see following statistics) :

“TABLE 1.—Total of State and local tax collections per \$100 of personal income, 1959

“U.S. average-----	\$8.49	Montana -----	\$10.90
Alabama -----	7.71	Nebraska -----	8.20
Alaska -----	6.08	Nevada -----	9.11
Arizona -----	9.62	New Hampshire -----	8.28
Arkansas -----	8.98	New Jersey -----	7.67
California -----	9.50	New Mexico -----	9.09
Colorado -----	9.99	New York -----	9.24
Connecticut -----	7.06	North Carolina -----	8.16
Delaware -----	6.45	North Dakota -----	12.01
Florida -----	9.04	Ohio -----	7.09
Georgia -----	8.42	Oklahoma -----	9.28
Idaho -----	9.65	Oregon -----	9.40
Illinois -----	6.98	Pennsylvania -----	7.25
Indiana -----	8.05	Rhode Island -----	8.50
Iowa -----	9.80	South Carolina -----	8.37
Kansas -----	10.68	South Dakota -----	12.28
Kentucky -----	7.59	Tennessee -----	8.17
Louisiana -----	11.24	Texas -----	7.76
Maine -----	9.48	Utah -----	9.39
Maryland -----	7.87	Vermont -----	11.31
Massachusetts -----	9.31	Virginia -----	6.97
Michigan -----	8.95	Washington -----	9.51
Minnesota -----	10.32	West Virginia -----	7.83
Mississippi -----	10.57	Wisconsin -----	9.54
Missouri -----	6.60	Wyoming -----	10.10

“State and local tax revenues combined, doubled between the years 1950 and 1958 and the total has gone much higher since 1958. State and local tax collections per \$100 of personal income are beginning to look more like the bite of a Federal income tax than like that of the traditional modest State and local taxes. It should be noted that some of the States putting forth the

greatest tax effort at State and local levels still have the most inadequate schools in the country.

"The problem of supporting education is not wealth; it is a problem of tax machinery. A property tax, in supporting our country's second largest enterprise, has certain weaknesses. Its growth is slow and not in proportion to productivity and wealth. There are also problems in enacting further increase in State taxes. Many Governors and legislative bodies are worried about competition for business and industry.

#### "IS FEDERAL AID THE ANSWER?"

"There are certain misconceptions and misunderstandings in the great debate over Federal support of education. The first of these relates to the size of the national debt.

"The national debt is high but it actually has decreased from 93 percent of the gross national product in 1949 to 62 percent in 1959. In relation to assets, the Federal debt is not nearly as large as it was 10 years ago. It has gone up only 8 to 10 percent in the past 10 years, whereas State-local debt has gone up almost 200 percent.

"Another misconception relates to the 'freight charge' on the Federal tax dollar. The common statement is, 'Why send a tax dollar to Washington when by the time it gets back to the local government, it has shrunk to 60 cents?' Actually, the Federal tax collection machinery is by far the most efficient we have ever devised. The cost of collecting local taxes is far higher. Experts have estimated that the collection and administration of local taxes cost as much as \$10 per \$100 collected. The cost of collecting State taxes is estimated on the average in excess of \$1 per \$100. Federal taxes are collected at the rate of 44 cents for every \$100.

"A third issue in the great debate involves the charge of Federal control. There have been many Federal grants in past years. Some have involved control and some have not. But the most dangerous control in existence is that exerted by poverty. The thing that really controls important decisions on education at the local level is the lack of money. Suppose a school district decides it wants a summer program in remedial reading. No one makes the decision for that district; it's entirely a matter of whether it can find the money to support such a program.

"The same is true of a district that wants to add a third year of mathematics to its high school curriculum. The problem here is whether it can find a qualified teacher to employ at the going salary rate. Again, it is a matter of money.

"Some people believe there is something inherently wrong with using Federal money for education. Why? Federal money is used for practically every other purpose.

"Look how much Federal money already goes to the States. Over the country as a whole, Federal money flowing into the States in various types of aid equals 47 percent of the total of State tax collections. State and local governments would find it exceedingly difficult to operate without the assistance now received from the Federal Government.

"Farmers, doctors, nurses, highway users, and highway builders, retired persons, the physically handicapped, veterans, widows, the unemployed—all derive some benefit from Federal money. Why not the youth of this Nation?"

Senator MORSE. During the course of the hearings, the Chair and his colleagues have agreed upon the following points respecting the hearings. There are many witnesses on succeeding days who wish to be heard. To accommodate these public-spirited citizens, and to accommodate the many Senators who have expressed a desire to present testimony, after our first day's witnesses have presented their testimony, the subcommittee requests that each witness confine his oral testimony to 15 minutes, with the assurance that the printed hearings will contain the full expanded testimony submitted.

The Chair does not wish to place a limitation upon any questions propounded by any member of the subcommittee, nor upon the replies responsive thereto. The limitation is solely upon the oral statement of the witness.

In a similar manner, and for reasons of comity which ought to prevail between the sovereign branches of our Government, the Chair will place no limitation upon the official witnesses of the administration. It also goes without saying that the Chair will place no limitation upon the testimony of any Member of the Senate or of the House.

The Chair requests that the departmental witnesses accommodate the subcommittee, however, to the extent of furnishing such additional material as may be requested by the subcommittee upon the conclusion of the hearings for use in further action upon the bills, in committee, and on the floor. It is hoped that all testimony can be completed in the 4 full days allotted, March 8, 9, 10, and 13. Should this prove too burdensome, the subcommittee will announce, at a later time, the further hearing dates.

With this brief introduction, I will now turn to our first witness. May I say that it is a particular pleasure and delight for me to have as our first witness this morning the distinguished Senator from Arkansas, Senator Fulbright. He is my leader on the Senate Foreign Relations Committee, which he serves so ably as chairman. I know of some of his views on the education bill. I think we are very fortunate to open our hearings with a statement by Senator Fulbright. I now call upon him to proceed in his own way.

#### **STATEMENT OF HON. J. W. FULBRIGHT, A U.S. SENATOR FROM THE STATE OF ARKANSAS**

Senator FULBRIGHT. Thank you, Mr. Chairman.

Mr. Chairman, I appreciate being given this opportunity to present my views on aid to education legislation. In my opinion there is no measure of more importance than this one to be considered by the Congress this session. It is not only of vital importance to our domestic welfare, but is equally important to our foreign relations and our standing in the world.

Since the launching of sputnik there have been many comparisons between our educational system and that of the Soviet Union. There is no doubt that Russia places a very high priority on education and is committed to education as a means of achieving national goals. The report of the first U.S. education mission to Russia states:

They are convinced that time is on their side and that through education and hard work they can win their way to world acceptance of Communist ideology.

These public discussions of comparisons between the two educational systems have succeeded in focusing additional attention on the need for improving our educational system. But I fear that they have diverted our attention from the real need for improving education and have overemphasized the competitive aspects of the situation. The critical need to improve our educational system at all levels would still be with us if Russia did not exist. It should not be necessary to raise the cry of Russian predominance in order to get something done about education in the United States. Granted that education will be a substantial factor in determining which system will be victorious in the long run, this should not be the basic motive for expanding support of public education in this country. We should, in this case, do something because it is merely the wise and right thing to do.

All too often we have used Russia as both the devil in our world and the standard by which we measure our progress. As Robert Hutchins once said:

If we weren't getting ahead of Russia, or falling behind her, how could we tell where we were?

This preoccupation with the Russian educational system obscures the fact that education is basic to survival of our form of government. All of the great men who had a part in founding this country were well aware of this, and so stated on many occasions.

#### PRIMARY GOAL OF EDUCATIONAL SYSTEM

Democracy will succeed only if our people have the ability to make wise decisions. The primary goal of our educational system should be to prepare people to make wise decisions. Some time ago I saw a comment by a noted scholar to the effect that if he exercised his right to vote as carefully and thoughtfully as a citizen in a democracy should, he would spend all his time studying the issues and candidates—in other words, preparation to vote would be a full-time job.

This is a fair commentary on the awesome responsibilities of a citizen in a democracy in this complex and changing world. If our people are not educated to accept and understand their responsibilities as preservers of democracy, we are not likely to survive as a free nation.

The world has entered an era of great instability filled with both dangers and promises. We and the Russians now possess the capacity to destroy civilization. Others soon will have it. The multiplicity of trouble spots shows no sign of lessening in future years. In fact, if we can count on any one thing in the future, it is that the world, and its problems, will be even more complex in the future than it is today. We must equip our children to cope with this complex world and we cannot do it without improving our educational system at all levels.

When I say "equip" I do not mean the mere teaching of a trade or profession. Purely technical skills are not enough. They must have the capacity to think and act wisely. As Woodrow Wilson once warned:

The man of special skill can be changed into an unskilled laborer overnight.

This is certainly more true today in view of our rapidly shifting economic order. Education must be for the whole man—not for strictly vocational purposes. Otherwise, education has failed in its primary mission of preparing our youth for citizenship.

#### WASTE IN HUMAN RESOURCES

In our society we must make sure that every individual has the means to develop his full intellectual potential. Waste in human resources is too costly in a democracy. The uneducated or under-educated man not only is incapable of being a useful participant in the democratic process, but he also does not make his fair contribution to economic progress.

The Selective Service System reported that in the period from 1950 to 1957, almost half of those found unacceptable in the draft were rejected because of mental deficiencies. It has been proven that

there is a high correlation between social dislocations, crime, poverty, and so forth, and lack of education. It has been estimated that we pay about twice as much for the costs of social dereliction as we pay for all elementary and secondary education. We cannot afford this waste of human resources and perpetuation of the poverty-ignorance breeding cycle. Unless our society revises its system of values in proper perspective, national strength will never be properly developed.

#### CLASSROOM SHORTAGES

The status of education in America today leaves much to be desired. There was a shortage of 142,100 classrooms in the fall of 1960, an increase of 6,900 from the previous year. There are nearly 2 million students in excess of normal classroom capacity, and almost three-fourths million students attending school on curtailed or half-day sessions. In a report released by the Department of Health, Education, and Welfare last January, it was estimated that construction of 607,000 classrooms will be required by 1970. Four hundred sixteen thousand and six hundred should be built by the end of 1964 to take care of the classroom backlog, increased enrollment, and current replacements. This will require a construction rate of over 10,000 classrooms a year above the current construction rate. This construction will require an estimated \$26.8 billion in revenue, or an annual revenue requirement of \$2.7 billion for the remainder of the decade.

#### STATUS OF TEACHERS

The status of teachers in our public schools is one of the most disgraceful aspects of our society. They have the responsibility for shaping the minds and hearts of our children and yet they are regarded by many as little more than full-time babysitters. They are woefully underpaid and overworked. Adequate salaries do not necessarily guarantee competent teachers, but they are essential to attracting well-trained people into teaching and keeping them there. We constantly hear of teachers leaving the profession to accept jobs in industry which pay substantially more than their salaries as teachers for less onerous work. In talking to these former teachers, it becomes obvious that they would have liked to remain in teaching, but could not afford to.

As an indication of the status of the teaching profession in comparison to other professions, if teachers' salaries were set at an index of 100, biologists rank 160, economists 190, engineers 230, and geologists 190.

Surely teachers who have the future of our children in their hands should receive better treatment. A report of the Office of Education recommended that in order to attract and retain qualified teachers, average salaries must be increased 50 percent in purchasing power by 1964. This is a reasonable goal if we are to do justice to the teaching profession.

There is a serious shortage of teachers today, and unless the profession is made more attractive, the problem will become worse. It is estimated that by the end of the 1963-64 school year, 279,000 additional teachers will be needed to staff our schools.

## THORNDIKE-HAGEN STUDY

Mr. Chairman, there was brought to my attention since I prepared my remarks a statement in the press reporting upon a study recently made by Drs. Robert L. Thorndike and Elizabeth Hagen of Columbia University Teachers College. This study was based on a group of people who had been given the most severe aptitude tests in the Air Force Intelligence during the years of 1942 to 1946. Ten thousand men were given these tests, and they were most exhaustive. Among these 10,000 men were some 658 men who had been in education.

The results of this study are the most convincing of any I have seen. I would like to read just one or two excerpts from that study:

In the median income, the researchers report the classroom teachers fell well below all the other groups. Those who left teaching surpassed them by more than 25 percent. At the upper end of the range, the discrepancy becomes even more marked. Only one teacher in 247 reported a monthly income of \$800, while 20 percent of the group of ex-teachers reported incomes of this size.

Those men who had gotten into administrative work in the schools fared somewhat better. Their median income was nearly the same as that of the men who had left teaching, but they, too, showed a deficiency in top-income jobs.

When college teachers are compared with ex-college teachers, the financial disparity is equally marked. Those who had left college teaching reported incomes averaging 25 percent higher than those who stayed on as college teachers.

It is true in this case also that the difference is most marked at the upper end of the scale.

Since these are perhaps the most academic and intellectual tests in our battery, Thorndike and Hagen note it appears that those who are academically more capable and talented tend to drop out of teaching, and that those who remained as classroom teachers in the elementary and secondary schools were the least capable members of the original group.

This to me is the key point in the original study. What is happening in this area with regard to teachers as compared to all other professions is that there is an erosion of the quality of the teachers that remain in the profession, and I cannot see how a country can afford this to happen.

I recommend this study simply because it is a recent one and has the most persuasive scientific basis for its conclusions. They had a starting point that was well established, with a large number of teachers. This study clearly shows what happens in the teaching profession because of the disparity in their financial rewards as compared to other professions.

Senator MORSE. It is the ruling of the Chair that Mr. Lee of the staff will obtain a copy of the study and place it in the record for the use of the subcommittee.

Senator FULBRIGHT. I think that will be most worthwhile, not only for the information of the committee, but also for the Senate and the country. This kind of report does not have the kind of reader interest that we associate with that term in our newspapers, and it is very difficult to get these facts to the country. I think if they really understood what was happening, there would be no doubt about their support for this legislation.

Senator MORSE. The Chair also rules that the newspaper from which the witness has been reading will be inserted at this point in the record.

(The material referred to above follows:)



ROBERT L. THORNDIKE AND ELIZABETH HAGEN  
*Teachers College, Columbia University*

## Men teachers and ex-teachers: Some attitudes and traits

DURING WORLD WAR II, a testing program was developed in the Air Force for the selection and classification of men to serve as pilots, bombardiers, and navigators. A comprehensive day and a half test battery was administered to a total of more than half a million men between 1942 and 1946.

In 1955, we were fortunate enough to receive funds from the Grant Foundation that permitted us to follow up a sample of 17,000 of these men into later life to find out what their subsequent work careers had been and to determine the extent to which the test records from World War II were predictive of later occupational group membership and later occupational success.

In our study, we were able to get information on about 10,000 of these men from civilian life. It was determined that an additional 1500 had died, and a further 1500 were still in the Armed Forces. The remaining 4,000 we were unable to identify within our limits of time and finances. For the 10,000 whom we were able to locate in civilian life, we obtained information on type of occupation, income from occupation, and several other indicators of occupational success.

Within the group that we followed up, there turned out to be some 500 school

and college teachers and educational administrators. In addition, it was clear that a certain number of others had initially entered the field of teaching but had left it by the time that we got information about them. The possibility of studying a substantial group of teachers and ex-teachers for whom comprehensive test data were available seemed a promising one, so financial support was sought from the U. S. Office of Education to permit us to make a further and more intensive study (2) of the men who were currently in education or who had at some time engaged in educational types of work. The distinctive advantage of the data available to us was that we had a group of men, all of about the same age and all entering the world of work at about the same time, on each of whom extensive test data were available. This made it possible for us to compare individuals in different types of educational positions with those who had entered education and subsequently left the field (as well as with our total Air Force population) with respect to a wide range of abilities. In addition, it seemed worth while to learn something of the attitudes toward teaching of the members of this group and to relate these attitudes to the test data that we had available for them.

### Study Plan

The basic plan of the present study was to identify several groups of educators and ex-educators and then to make comparisons among them with respect to aptitude variables and certain of their reactions to the job of the teacher. For groups to be studied, we listed classroom teachers, administrators, college teachers, ex-school teachers, and ex-college teachers. Data were sought on members of each of these groups.

Test data already available described subjects in terms of their performance on the AAF Air Crew Aptitude Battery in 1943. Questionnaire data in our files described the educational and work histories of the men from the time they got out of the Air Force at the end of World War II up to the time they filled out the questionnaire in 1955. To supplement these data, a further questionnaire was sent to each man. This questionnaire was designed to serve two functions. In the first place, it was to provide information on work history subsequent to 1955. In the second place, it was to provide information on attitudes toward teaching and sources of satisfaction and dissatisfaction with teaching as a profession. In order to obtain this information, questions were asked about work history from 1955 to 1959 and current income as of 1959. These were followed by a check list giving possible sources of satisfaction in teaching, each to be checked as having been a major, a minor, or not a source of satisfaction for the individual. Next came a list of sources of dissatisfaction or frustration in teaching, to be checked in the same way. Each list had blanks at the end in which the individual could add additional ones if the sources that were important to him had not been covered. Finally, a free-response question was provided that permitted the individual an

opportunity to volunteer the factors that would be important to bring young men into teaching or hold them there. The check lists for those who had already left the field of teaching were parallel to those for teachers, but they were worded in terms that would be appropriate for individuals who were no longer in the field of teaching.

Three types of analysis of results were carried out. The first of these consisted of a comparison of the different groups with respect to their performance on the Air Crew Aptitude Tests taken at the time of entry into the Air Force. This analysis was directed toward answering the question: What kinds of people stay in teaching, and what kinds of people leave it to enter other fields of work?

The Air Crew Aptitude Test Battery was a day-and-a-half battery of tests that yielded the following twenty indices:<sup>1</sup>

1. *Reading Comprehension.* A reading test involving fairly complicated and technical material dealing with such things as carburetor icing and the principles of gyroscopic compasses.

2. *Mechanical Principles.* A test similar to the Bennett Mechanical Principles Test, presenting various types of mechanical situations and requiring the subject to apply the principle to predict what would happen in the diagrammed or pictured situation.

3. *Dial and Table Reading Test.* A test requiring the individual to interpolate from a series of dial faces rapidly and accurately, and to find appropriate entries in rather complex tables.

4. *Spatial Orientation II.* A test requiring the individual to match small sections of aerial photographs with an airplane map of a particular area.

5. *Spatial Orientation I.* A test requiring the individual to locate rapidly on a large aerial photograph small excerpts from that particular photograph.

6. *Numerical Operations I.* A test call-

<sup>1</sup>For a fuller description of these tests and the evidence on their reliability and validity, see (1).

ing for rapid and accurate performance of simple additions and multiplications.

7. *Numerical Operations II*. A test similar to the preceding one except that it involved subtractions and divisions.

8. *Biographical Data-Pilot*. An empirically keyed score derived from a number of biographical background items that had been found to be related to success in pilot training. It tended to emphasize mechanical and sports kinds of background.

9. *Biographical Data-Navigator*. A second empirical key based upon the same battery of biographical items, but keyed for those items that had predicted success in navigator training. It tended to stress educational background and previous experience related to numbers and mathematics.

10. *Speed of Identification*. A simple perceptual test involving the matching of airplane silhouettes on one part of a page with similar silhouettes on a different part of the page.

11. *General Information-Navigator*. A vocabulary and information test dealing with content related to the activities of a navigator. It covered such things as navigation instruments, astronomy, and the like.

12. *General Information-Pilot*. A vocabulary and information test covering such topics as airplane information, automobile driving information, and certain types of sports information, that had been found to be related to success in pilot training.

13. *Arithmetic Reasoning*. A conventional type of reasoning test involving verbal arithmetic problems, but dealing with aviation materials.

14. *Mathematics*. A mathematics achievement test based primarily upon high school algebra, but including small amounts of geometry and trigonometry.

15. *Rotary Pursuit with Divided Attention*. A motor coordination test calling for eye-hand coordination on a rhythmic task, with attention directed at the same time to an auxiliary task.

16. *Two-hand Coordination*. A test involving manipulation of lathe type controls with two hands to keep a pointer on an irregularly moving target button.

17. *Complex Coordination*. A task call-

ing for a complex eye-hand-foot coordination to move airplane type controls in response to visual signals.

18. *Timing Stress*. A hand steadiness test complicated by a certain amount of verbal heckling and stress stimulation.

19. *Discrimination Reaction Time*. A test involving a choice hand response to a complex visual stimulus.

20. *Finger Dexterity*. A peg-turning test in which square pegs must be removed from their holes, rotated through 180 degrees, and reinserted rapidly and accurately.

The second main part of our analysis consisted of an examination of the attitudes toward teaching expressed by the members of the teacher groups and by the members of the groups who had previously functioned as teachers for a period but who had left teaching for some other type of work. A consideration of the frequency with which the different alternatives were marked as being major sources of satisfaction in teaching on the one hand, or major sources of frustration and dissatisfaction on the other provides a basis for judging the prevalence of certain satisfactions and frustrations in the teaching field. A good deal of material of this sort is already available, but it is perhaps of interest to examine further the responses of a group of young men, all of whom entered teaching in the period subsequent to World War II.

The third type of analysis consisted of a comparison of the attitude responses of individuals in the different subgroups of teachers and ex-teachers, and also of individuals at different levels with respect to their income from teaching and with respect to performance on certain of the tests that were given to them in 1943. The question that we raise at this point is whether the financially more successful teachers have a different pattern of satisfactions and dissatisfactions from those who are less well paid, and whether the teachers who were intellectually more

able, as indicated by their test performance in 1943, perceive a different pattern of satisfactions and dissatisfactions in teaching from those who were intellectually less gifted.

Subjects

Among the approximately 10,000 men who constituted the total population that we were able to reach in our follow-up, we found 250 who were currently engaged in teaching at the elementary or high school level. There were, in addition, 126 administrators, primarily high school principals. A further group consisted of 82 college teachers. We were also able to identify within our total population 172 individuals who had at some time or other taught in elementary or secondary school but who had left the field of teaching for some other type of employment. Finally, there were 28 individuals who had at one time or another engaged in college teaching, but who were now engaged in some other type of work. Thus, we were able to study a total of 658 men. These were all men who had been from 18 to 26 years old at the time they entered the Air Force as applicants for aviation cadet

training in 1943. Thus, in 1959 their age range was from approximately 34 years to 42 years. In addition, we know that the men had all qualified on the Aviation Cadet Qualifying Examination in the 1940's, on which the cutting score was about equivalent to the 50th percentile of a high school senior group.

The group of elementary and secondary school teachers worked in a wide range of specific subject areas. Some impression of the variety and the numbers in each may be found in Table 1. The college group was also highly variable with respect to the particular subject taught; the range and frequency of different subject specializations can be seen in Table 2. The range of occupations en-

Table 2  
Subjects Taught by College Teachers

Subject	Number
Physical Science, Biological Science, Mathematics	8
Engineering	7
Agriculture, Forestry	6
English, Languages	5
Speech, Dramatics	5
Art, Music	8
History, Economics, Philosophy, etc.	12
Accounting, Business Administration, Marketing	6
Psychology, Education	6
Physical Education	10
Other	9

Table 1  
Subjects Taught by Elementary and Secondary School Teachers

Subject	Number
Science, Mathematics	56
English, Languages	12
Social Studies	26
Art, Music, Graphics	17
Industrial Arts, Shop	35
Business, Commercial	8
Physical Education	31
Vocational Agriculture	9
Driver Education	4
Guidance Counselor	10
Elementary Education	39
Other	3

gaged in by those who had left teaching was too wide to permit us to represent it in a table. Occupations represented by three or more individuals include the following: electrical engineer, industrial sales engineer, mathematician, educational director in industry, office manager, sales manager, mail carrier, insurance salesman, real estate broker, general farmer and livestock farmer.

Table 3  
Monthly Income Reported by Different Occupational Groups

Monthly Income	Classroom Teachers	Administrators	Ex-Classroom Teachers	College Teachers	Ex-College Teachers
\$1500 and over			4	1	4
1000-1495		5	10	2	2
900-995		0	3	1	4
800-895	1	7	14	5	4
700-795	2	13	16	10	4
600-695	21	39	34	20	4
500-595	76	34	35	25	0
400-495	103	19	22	9	0
300-395	35	4	12	4	2
Under 300	9	2	3	0	1
Not reported	3	3	19	2	4
Median	\$475	\$605	\$610	\$600	\$835

Income

Table 3 provides information on income for the members of the different subgroups as reported in 1959. A few individuals in each group failed to report their income, and the numbers of these are indicated in the table. In those cases in which teachers received only nine or ten monthly pay checks, their pay was pro-rated over the twelve-month period. Approximate median incomes are shown at the bottom of the table.

In median income, the classroom teachers fell well below all the other groups. Those who had left teaching surpassed them by more than 25%. At the upper end of the range, the discrepancy becomes even more marked. Only one teacher in 247 reported a monthly income of \$800, while 20% of the group of ex-teachers reported incomes of this size. Those men who had gotten into administrative work in the schools fared somewhat better. Their median income was nearly the same as that of the men who had left teaching, but they too showed a deficiency in top-income jobs.

When college teachers are compared

with ex-college teachers, the financial disparity is equally marked. Those who had left college teaching reported incomes averaging 25% higher than those who stayed on as college teachers. It is true in this case also that the difference is most marked at the upper end of the scale.

Test Scores

We may next compare the scores on the Air Crew Aptitude Tests for the members of our five different occupational groups. In Table 4 the mean score is given for each of the five groups for each of the twenty tests. These means are reported in the form of standard scores in which the mean for the total population of aviation cadet applicants tested with this battery has been set at zero and the standard deviation of the total population has been set at 100. That is, a score of +50 signifies a score one-half standard deviation above the mean of the cadet-applicant population. This type of score has the advantage, of course, of direct comparability.

Comparisons can be made between

any two of the five groups in whose scores we are interested. The comparisons that seem of most significance are the comparison of classroom teachers with ex-classroom teachers and of college teachers with ex-college teachers. With test data for 241 classroom teachers and 165 ex-classroom teachers, any difference in standard scores as large as 20 is significant at the five per cent level. On this basis, there are three tests that show significant differences between the classroom teachers and ex-classroom teachers: reading comprehension, arithmetic reasoning, and mathematics. In each case the ex-classroom teachers performed significantly better than those still engaged in teaching. Since these are perhaps the most academic and intellectual of the tests in our battery, it appears that those who were academically more capable and talented tended to drop out of teaching

and that those who remained as classroom teachers in the elementary and secondary schools were the less capable members of the original group.

A comparison of the college teachers with the ex-college teachers suggests that the same type of relationship also holds. The numbers are too small, however, for the obtained differences to meet standards of statistical significance. There is only one difference that is significant at the five per cent level—the difference between college teachers and ex-college teachers in arithmetic reasoning, the advantage being in favor of the ex-college teachers.

Administrators appear to have performed at least as well on these tests as the classroom teachers, and perhaps somewhat better, but the differences between the two groups are not statistically significant for any test. It is not surprising

Table 4

Mean Standard Scores of Teachers and Ex-Teacher Groups on Aircrew Aptitude Tests

	<i>Classroom Teachers</i>	<i>Adminis- trators</i>	<i>Ex-Classroom Teachers</i>	<i>College Teachers</i>	<i>Ex-College Teachers</i>
Reading Comprehension	-13	11	14	49	78
Mechanical Principles	-22	-10	-4	10	39
Dial & Table Reading	-2	5	4	39	54
Spatial Orientation II	-4	-4	-2	21	4
Spatial Orientation I	-3	1	-8	32	23
Numerical Operations I	11	4	0	31	35
Numerical Operations II	7	5	15	40	61
Biographical Data-Pilot	-28	-40	-22	-25	-39
Biographical Data-Navigator	7	18	21	17	50
Speed of Identification	-3	-4	-9	24	22
General Information-Navigator	1	21	15	68	80
General Information-Pilot	-29	-15	-17	-5	1
Arithmetic Reasoning	-10	5	18	56	106
Mathematics	-9	13	23	67	95
Rotary Pursuit	4	-16	-1	-20	-40
Two Hand Coordination	-12	-20	-18	-17	-20
Complex Coordination	-4	-19	-14	17	-5
Aiming Stress	-10	-17	-18	5	1
Discrimination Reaction Time	-2	0	9	40	40
Finger Dexterity	7	-1	-9	9	6
N	241	117	165	76	23

Table 5  
Sources of Major Satisfaction in Teaching  
Percents of teachers, administrators, and college faculty checking each of five sources as a major satisfaction

	Classroom Teachers	Administrators	College Teachers
a. Many contacts with young people.	83.7%	90.5%	75.0%
b. Long vacations and free time.	29.6	18.4	32.1
c. Working with books and ideas.	65.4	68.7	81.5
d. Respected by people in the community.	30.5	50.4	32.0
e. Satisfactory pay and other benefits.	41.9	26.1	20.0

to find that the college teachers did better than the elementary and high school teachers on practically all of the tests that have any intellectual flavor to them. It would be rather odd if this were not the case.

Satisfaction in Teaching

The next main section of our report has to do with the sources of satisfaction with the occupation of teaching on the one hand and of dissatisfaction and frus-

tration on the other. These results are shown in Tables 5, 6, and 7. Table 5 shows the frequency with which five elements were reported as being major satisfactions for each of the three groups of individuals still in teaching. The two factors which were most frequently mentioned are "having many contacts with young people" and "working with books and ideas." As expected, the first of these was mentioned more often by those working in the elementary and secondary

Table 6  
Major Sources of Dissatisfaction and Frustration in Teaching  
Percents of teachers, administrators and college faculty checking each of eleven sources of dissatisfaction

Source of Dissatisfaction	Classroom Teachers	Administrators	College Teachers
a. Too many duties other than actual teaching.	34.9%	26.6%	23.8%
b. Don't really care for teaching.	0.4	0.0	1.3
c. School board or community interference.	10.1	5.7	2.6
d. Principal or supervisor difficult to work with.	7.9	3.9	5.1
e. Pay too low.	44.6	40.2	38.8
f. Large classes and overcrowded rooms.	33.6	22.2	22.8
g. Pupils not interested in learning, or disciplinary problems.	25.7	11.6	11.7
h. Lack of materials and equipment for teaching.	14.6	14.0	11.5
i. No chance for promotion.	11.8	9.4	10.3
j. No intellectual stimulation.	5.0	2.8	3.8
k. Can never get completely away from kids.	2.1	9.3	1.3



fields and the second more often by those in college teaching. Relatively few mentioned long vacations and free time as a source of satisfaction, perhaps in part because they found it necessary to take some form of employment during holidays in order to make a satisfactory annual income. Only about a third mentioned respect by the people of the com-

principal or supervisor, lack of opportunity for promotion, and lack of intellectual stimulation.

In spite of their dissatisfactions and frustrations, most of those who were still in teaching in 1959 appeared to be fairly definitely committed to the occupation for the future. The responses to a question on this point were as follows:

	Classroom Teachers	Administrators	College Teachers
Almost certain to remain in education for my life career	54.7%	70.3%	59.3%
Will probably continue in education, as far as I can tell	35.2	26.3	33.3
Undecided as to whether or not to continue in education	5.7	0.0	4.9
Seriously considered switching to some other type of work	4.5	3.4	2.5

munity as a source of satisfaction, a fact consistent with a later indication that this factor is one that is frequently mentioned as a source of *dissatisfaction* with work in teaching.

Table 6 provides information on the frequency with which different sources of dissatisfaction or frustration in teaching were mentioned. First place goes without any question to a concern for pay. About 40% of the group reported low pay as a major source of dissatisfaction to them, and another 40% or more reported this as a minor dissatisfaction. Running a fairly close second was the number of non-teaching duties teachers find they must carry in addition to the actual work of teaching their classes. Close behind this came concern with large classes and overcrowded rooms. Teachers in the public schools found lack of interest and disciplinary problems among their pupils a frequent source of concern. Factors mentioned by five to ten per cent of the teachers were school board or community interference, difficulty in working with

Turning now to those who had left the field of teaching, we see in Table 7 the reasons that they reported for their decision to leave the field and seek some other type of work. Once again, first rank in their choice of reasons was given to the fact that pay in teaching was too low. Following closely behind this was the opportunity to embark upon some other good job. These two factors probably interact in that the person who is dissatisfied with the pay in teaching is eager to seize another good job opportunity when it offers itself. Lack of opportunity for a promotion ran a poor third to the two reasons mentioned above. A number of other factors were mentioned as influential by from five to ten percent of those filling out the questionnaire.

It is interesting to note that less than 10% of those who left the field of teaching mentioned dislike for teaching as a major reason, and very few indeed indicated having left the field because they felt they were not very good at teaching.

Table 7  
Reasons for Leaving Teaching  
Percents of ex-school and ex-college teachers checking each of fourteen factors.

Reasons for Leaving Teaching	School teachers		College teachers	
	Major reason	Minor reason	Major reason	Minor reason
a. Too many duties other than actual teaching.	11.3%	26.0%	16.0%	8.0%
b. Found I didn't really like classroom teaching.	8.2	9.5	8.0	8.0
c. Schoolboard or community interference with my work.	5.4	14.3	4.0	4.0
d. Principal or supervisor was difficult to get along with.	11.0	14.4	4.0	8.0
e. Pay was too low.	66.7	18.2	59.3	22.2
f. I wasn't very good at teaching.	2.7	11.5	4.0	12.0
g. Classes too large and rooms crowded.	9.5	16.9	4.0	12.0
h. Had a chance at another good job.	59.1	11.0	52.0	24.0
i. Pupils not interested in learning, or disciplinary problems.	8.7	26.7	4.0	24.0
j. Materials and equipment for teaching were lacking.	5.4	23.8	0.0	12.0
k. No chance for promotion.	24.8	23.5	20.0	16.0
l. No intellectual stimulation.	10.9	9.5	4.0	20.0
m. Could never get away from kids.	1.4	8.8	0.0	4.0
n. Found the indoor work too confining	2.1	17.8	4.0	12.0

One does not know how insightful these judgments were. However, if we accept them at face value it appears that lack of interest or of ability were rarely factors causing teachers to leave the profession.

A certain amount of nostalgia for the role of teacher is shown by those who had left teaching. In response to the question "How do you *now* feel about returning to teaching?" responses were as follows:

there?" The ex-teachers were asked, "What would be most important in getting you back into teaching?" The free responses of the men were coded and classified. As many as four codes were recorded for a given man if he indicated as many as four different factors. The categories of response and the frequency with which each was given are indicated in Table 8. (Since each man could mark several responses, the totals do not add up to 100%.)

	Ex-school Teachers	Ex-college Teachers
Wouldn't consider it under any circumstances.	23.4%	11.5%
Sometimes think I might if conditions were improved.	47.5	46.2
Would like to get back into teaching sometime.	25.3	34.6
Definitely plan to teach again.	3.8	7.7

One further question was asked of both present and past teacher groups. The teachers were asked, "What do you feel would be most important in getting men into education and keeping them

And Money Still

Once again, financial considerations seemed to swamp all others. This factor was mentioned by 80 to 90% of those

still in education as either teachers or administrators. It was the factor most frequently mentioned by those who had left teaching. The next most frequent category was one dealing with working conditions. Included in this category were such things as class size, materials and equipment, and extra nonteaching duties. Third place in most groups went to the category designated "status" and was a reiteration of the feelings expressed in the structured questions that the role of the teacher in the community is a less respected one than it has been in the past. Factors mentioned by smaller percentages of the respondents include opportunities for advancement, various types of fringe benefits, a higher quality of personnel in the schools as associates and supervisors, better opportunities to work for advanced degrees, and a wide range of personal considerations and miscellaneous factors.

The total teacher group was divided on two bases to see whether factors could be identified which relate to sources of satisfaction or dissatisfaction. One basis of classification was reported income.

The top half of the group in terms of reported income was compared with the bottom half. Not unexpectedly, more of those with high income reported pay and other benefits as a source of satisfaction and more of those with low income reported low pay and large classes and overcrowded rooms as sources of dissatisfaction. Furthermore, more of those with a high income indicated a strong commitment to continue in education as a permanent career. None of the other differences between the groups were statistically significant.

A second comparison was made between those who were in the top half of the total group in terms of reading comprehension score and those who were in the bottom half on reading comprehension. It was thought that perhaps the sources of satisfaction of the abler individuals might be different from those for the intellectually less able. However, no statistically significant differences were found between the two halves of the group classified in terms of test performance. Apparently, satisfactions and dissatisfactions are common for teachers

Table 8  
Factors Mentioned as Important for Getting Self (or Other Men) into Education and Holding Them There

	Classroom Teachers	Administrators	Ex-Classroom Teachers	College Teachers	Ex-College Teachers
1. Salary	86.8%	89.9%	57.6%	82.3%	53.6%
2. Advancement	6.8	13.4	4.6	7.3	10.7
3. Benefits	10.0	8.4	3.5	8.5	10.7
4. Working conditions	29.2	24.4	1.7	26.8	32.1
5. Status	19.6	18.5	9.9	22.0	3.6
6. Better school personnel	3.6	2.5	3.5	3.7	3.6
7. Living conditions	0.0	0.0	1.7	0.0	0.0
8. Personal considerations	4.0	1.7	5.2	0.0	28.6
9. Factors related to teacher education	10.4	14.3	5.8	14.6	0.0
10. Miscellaneous	8.4	10.9	18.6	14.6	17.9
No response	3.6	2.5	22.1	7.3	7.1

at all levels of ability, and differences in ability level within the group are not an important factor in differentiating the sources of satisfaction or dissatisfaction in the teaching profession.

### *Summary*

A study was made of 250 classroom teachers, 126 school administrators, 82 college teachers, 172 ex-school teachers and 28 ex-college teachers, all of whom had taken a common battery of aptitude tests in the Air Force in 1943. It was found that those who left public school teaching had been significantly superior to those who were still classroom teachers on tests of reading comprehension, arithmetic reasoning, and mathematics. There was a suggestion of similar differences between those who had left and those

who had remained in college teaching. The higher ability of the nonteachers was paralleled by higher income.

The primary dissatisfaction of the teacher group was with pay. Other focal points of concern were inadequate status, duties other than teaching, and lack of interest by pupils. The general pattern of concerns and satisfactions was much the same for the different teacher groups, and was not related to intellectual ability as indicated by 1943 test results.

### REFERENCE

1. Thorndike, R. L., & Hagen, Elizabeth. *10,000 careers*. New York: Wiley, 1959.
  2. Thorndike, R. L., & Hagen, Elizabeth. Characteristics of men who remained in and left teaching. *Coop. res. Proj. No. 574* (SAE 8189). Washington, D. C.: U. S. Office of Education, Dept. Health, Education, and Welfare, n.d.
-

[From the Washington Post, Jan. 8, 1961]

## DOLLARS AND SENSE—SMARTEST TEACHERS? THEY QUIT TEACHING

(By Erwin Knoll)

What's wrong with the schools? Add one more answer to that perennial question: The men who leave the teaching profession for more lucrative work are intellectually superior to those who stay.

Such is the finding of Profs. Robert L. Thorndike and Elizabeth Hagen of Columbia University Teachers College, whose report on "Men Teachers and Ex-Teachers: Some Attitudes and Traits" appears in the current issue of the Teachers College Record.

A few years ago, Thorndike and Hagen hit on a veritable gold mine of resource material for career research. They located 10,000 men who had, between 1942 and 1946, been given an exhaustive battery of Air Force intelligence and aptitude tests. The followup study of these men, published last year under the title "10,000 Careers," shattered some cherished notions about the validity of aptitude testing.

Among the 10,000, it turned out, were 250 classroom teachers, 126 school administrators (primarily high school principals), 82 college teachers, 172 former classroom teachers and 28 former college teachers. The U.S. Office of Education sponsored an intensive study of those 658 men.

Thorndike and Hagen found, first of all, that the classroom teachers in the group—men now in their late thirties or early forties—last year had a median monthly income of \$475; the administrators, \$605; the former classroom teachers, \$610; the college teachers, \$600; and the former college teachers, \$835.

"In median income," the researchers report, "the classroom teachers fell well below all the other groups. Those who left teaching surpassed them by more than 25 percent.

"At the upper end of the range, the discrepancy becomes even more marked. Only 1 teacher in 247 reported a monthly income of \$800 while 20 percent of the group of ex-teachers reported incomes of this size.

"Those men who had gotten into administrative work in the schools fared somewhat better. Their median income was nearly the same as that of the men who had left teaching, but they too showed a deficiency in top-income jobs.

"When college teachers are compared with ex-college teachers the financial disparity is equally marked. Those who had left college teaching reported incomes averaging 25 percent higher than those who stayed on as college teachers. It is true in this case also that the difference is most marked at the upper end of the scale."

It is not surprising, perhaps, but disturbing nonetheless that the men who left teaching to improve their financial lot performed significantly better than the others on three of the Air Force tests: reading comprehension, arithmetic reasoning, and mathematics.

"Since these are perhaps the most academic and intellectual of the tests in our battery," Thorndike and Hagen note, "it appears that those who were academically more capable and talented tended to drop out of teaching and that those who remained as classroom teachers in the elementary and secondary schools were the less capable members of the original group.

"A comparison of the college teachers with the ex-college teachers suggests that the same type of relationship also holds."

Not unexpectedly, two-thirds of those who left teaching gave low pay as the major reason for their decision. Following closely behind was the related reason of an opportunity to embark on some other good job. Lack of opportunity for a promotion ran a poor third among the responses.

Less than 10 percent of the former educators mentioned dislike of teaching as a major reason for leaving the profession, and hardly any indicated that they left because they felt they were not very good at the job.

Among the men still in education, 40 percent gave low pay as a source of major dissatisfaction to them, and another 40 percent mentioned it as a minor dissatisfaction. Running a close second was the number of nonteaching duties with which teachers are burdened.

Much concern was also expressed over large classes and overcrowded rooms. Public school teachers complained about the lack of interest and discipline of their students. School board or community interference, poor promotion policies, and a lack of intellectual stimulation were also mentioned.

Teachers were asked what would be most important in getting men into education and keeping them there, and former teachers were asked what it would take to get them back into the profession.

"Once again," Thorndike and Barnhart report, "financial considerations seemed to swamp all others. This factor was mentioned by 80 to 90 percent of those still in education as either teachers or administrators. It was the factor most frequently mentioned by those who had left teaching."

The next most frequent category of responses dealt with working conditions, including such matters as class size, extra duties, and teaching materials.

Third were responses dealing with "status" and suggesting that many felt that the role of the teacher in the community is less respected than it has been in the past.

Senator FULBRIGHT. The only practical answer to the financial problems facing school districts is in the implementation of a realistic Federal aid-to-education program. Federal aid-to-education proposals have been coming before the Congress with regularity for over 75 years. We have talked about the subject so much that there is really nothing new to say. All the arguments have been made before, and the principle involved remains the same. We can no longer afford to put off the issue until the next session of Congress, as has happened so often in the past. I have high hopes that the Congress will put through a program this session.

#### POSSIBILITY OF FEDERAL CONTROL

Many of my constituents, as well as others throughout the country, are concerned about the possibility of Federal control of our schools. I appreciate these fears, although I am convinced that there is little basis for them. We have had Federal aid in various forms, starting with the land ordinances of 1785 and 1787 which gave millions of acres of land to the States for education. The Morrill Act of 1862 helped establish land-grant colleges like the University of Arkansas. Other laws, such as the Smith-Lever Act of 1914 and the Smith-Hughes Act of 1917, provided substantial assistance to education. The GI bills of World War II and Korea helped millions of veterans to obtain an education. The Public Laws 815 and 874 programs provide aid to federally impacted areas. And the latest program authorized by the National Defense Education Act of 1958 provides many forms of aid to schools and individual students.

So Federal aid has existed without Federal control for many years. The administration bill and the Cooper bill contain unambiguous language prohibiting Federal control, and we must accept the proposition that the officials who will direct the program will obey the law. Education must remain under the complete direction and control of local school officials. I would be the first to object if the Federal Government attempted to interfere with local control of the schools and influence the character of the curriculum.

#### SITUATION IN ARKANSAS

I want to discuss for a moment the situation in my own State and why Federal aid is essential to building a better educational system in Arkansas.

According to the latest NEA rankings of the States, Arkansas ranked 49th in teachers' salaries with an average of \$3,600 a year.

Per pupil expenditures were estimated at \$242.48, an increase of \$37.48 from last year.

On the surface, these statistics indicate that Arkansas educational system is being neglected. However, the State is making a more strenuous effort to improve its schools, a far greater effort than the national average.

In the last 10 years, Arkansas has raised its per pupil expenditures by 107.2 percent, and ranks second nationally in this respect. Although Arkansas ranked 49th in per capita income in 1959, it ranked 20th in public school revenue as a percent of personal income.

Arkansas is making a much greater effort to support its schools than many of the richer States. Last year my State spent 3.6 percent of the personal income on schools, while the wealthy State of Connecticut spent only 2.8 percent. The simple facts are that the poorer States such as Arkansas do not have a tax base which will support an adequate educational system, try as they might. Federal aid is the only way to insure that quality education will be available for children throughout the Nation and in the poorer States.

I have advocated Federal aid to education ever since I have been in public office. I am a cosponsor of the administration bill, S. 1021, introduced by Senator Morse, as well as S. 723, introduced by Senator Cooper.

#### MINIMUM FOUNDATION CONCEPT

The approach taken in Senator Cooper's bill is similar to that contained in Senator Taft's bill which passed the Senate in 1948. The minimum foundation concept is realistic and would insure that the lower income States, which need help the most, would be assisted in bringing up their educational program to a desired national average over a 4-year period.

Arkansas would receive over \$88 million in aid in the 4 years if this program was implemented. I would like to see this approach accepted, but I am a realist, I think, and I know that there is little chance for its adoption under the existing circumstances in the Congress.

#### TEACHERS' SALARIES

The administration bill properly allows the States to use Federal funds for school construction or for teachers' salaries. In comparison to the need for financial aid to education, the scope of the bill is modest. Under this bill the needier States would receive larger per pupil allotments. For my State, the per pupil grants in the first year would be \$28.18. This would be \$32.09 the second year, and \$35.80 the third year. This is the third highest per pupil allotment of all the States. More than \$35 million would be allotted to the State during this 3-year period.

I hope that the committee will insure that States are permitted to use these funds for teachers' salaries as well as construction. The teacher makes the school. It is simply not possible to improve the educational system in Arkansas or anywhere else unless teachers get better pay and proper recognition of their contribution to our society. Significant progress would be made in raising Arkansas teachers' salaries toward the national average if this bill is passed this session.



In closing, Mr. Chairman, I want to repeat that cogent statement attributed to H. G. Wells, that:

Civilization is a race between education and catastrophe.

Although this prediction was made over 40 years ago, the race is still going on and the finish line is drawing nearer. Education can still win the race, but only if we gain a renewed respect for learning and intelligence. Enactment of a realistic Federal aid program by the Congress this session will be an important turning point for education in America. And it will help to avert the catastrophe which Wells predicted.

Senator MORSE. Senator Fulbright, the Chair wishes to congratulate you upon the very scholarly and able statement which you have presented to the subcommittee this morning. I am particularly pleased that you gave emphasis, not only to the philosophical basis of these proposals, but also to the teacher need in this country. As you well point out, after all, it is the teacher who makes the school.

The Senator from Alabama?

#### PROVISION FOR EQUALIZATION

Senator HILL. Mr. Chairman, I would also like to commend the distinguished Senator from Arkansas on the very excellent presentation that he has made here this morning.

I want to say one thing, and that is this: On reading of the language of the bill as now written, I think we will find that the bill authorizes a flat grant of \$15 per child in all States, and then after the \$15, as I study the language, there is provision for equalization.

As the Senator has brought out, the State of Arkansas, if the full amount were appropriated, would get for the first year \$28.18; \$32.09 the second year; and \$35.80 the third year. More than \$35 million would be allotted during this 3-year period.

I happen to sit on the Appropriations Committee as well as this committee and I know that sometimes, in fact not too infrequently, the full amount of the authorization is not appropriated, so I think that is a matter the committee will have to address itself to in order to make sure that we will not only have this floor, but that, no matter what sums may be appropriated in any particular year, we also have the equalization feature which the Senator here has brought out so forcefully as being so necessary.

Senator FULBRIGHT. Well, I appreciate that very much. I agree with the Senator.

As I said in my statement I have supported other bills in the past but I realize the situation we have. I still think the administration bill is an excellent bill and I want to support that which has an opportunity or a good chance to be enacted.

But I thank the subcommittee very much indeed for allowing me to come here and make this statement.

Senator MORSE. Some of my other colleagues may wish to ask you some questions.

May I say to my colleagues also that this will provide them with an opportunity to make any statements any of them may wish to make for the record at the start of the hearings.

The Senator from Illinois, Mr. Dirksen?

Senator DIRKSEN. No.

Senator MORSE. The Senator from Pennsylvania, Mr. Clark?

Senator CLARK. Mr. Chairman, I want to make two brief comments. Needless to say the Senator from Arkansas has given us a thoughtful and provocative and very able presentation as he always does when he sets his first-class mind to work on a problem of this sort.

#### COMPARING TEACHERS' SALARIES WITH OTHER PROFESSIONS

I would like to suggest that the relative figures which appear in his statement comparing those teachers' salaries to those of other professions while extremely interesting, will, I hope, be expanded during the course of the hearings to show the relative disadvantage between teachers' compensation and other professions far less learned than those used in Senator Fulbright's statement, such as for example, truckdrivers, where the annual return of the fine people who work at that business is substantially higher than the normal average of teachers.

One can speculate on their respective contributions to civilization.

I think this is one reason why we have to improve the status of the teacher, not only with respect to biologists, engineers, economists, and so on, but with many an occupation where the intellectual requirements, the whole program of training, are far less and the reward is far higher.

Senator MORSE. If the Senator will yield for discussion on the point he has just raised. During these hearings the Chair is going to give instructions to the professional staff of the committee to prepare certain materials for us. I want my colleagues to know if members have suggestions for such instructions from time to time the Chair would appreciate receiving them.

On this particular matter, I now instruct the professional staff to follow very closely both the testimony and the exhibits that are introduced into this record to the end that there will be prepared for us, at the close of the hearings, a digest or synopsis of the evidence, concerning comparisons between teachers' salaries and the salaries and wages earned by others in our economic society. This will provide us with the data that the Senator from Pennsylvania requests.

Senator CLARK. Thank you.

#### RELATIVE PAYMENTS TO STATES

My final comment is that one of the knotty problems that the committee is going to have to wrestle with is the relative payments to give States under the bills which are before us.

I am prepared to agree that those richer States, of which mine is sometimes thought to be one, should make a substantially higher contribution than the poorer States. But there comes a time when there must be a limit on this.

Under S. 8, Pennsylvania fared relatively well. Under the administration bill, it doesn't fare as well.

I am prepared to accept the revised administration bill as an acceptable compromise, but I do think that some of these bills which would require payment to the poorer States many, many times over and above what goes to States such as mine, which is not as rich as many people would think—as the unemployment figures of today would

indicate—there has to be some judgment on this, and I hope we will stick pretty closely to the provision provided for in the administration bill, which is itself a compromise in which the so-called richer States have yielded substantial ground under where we were under S. 8.

Senator MORSE. Senator Fulbright, do you have any comment?

#### EDUCATION A NATIONAL PROBLEM

Senator FULBRIGHT. I would first like to comment that whether it is so-called or whether it is rich, is not a matter of opinion. It is based on statistics as to which I do not think there is any real question.

I think these statistics are unquestioned as to where the wealth of this country is situated. The only reason for Federal aid coming into this is because education is a national problem, and our strength as a nation is involved.

I think the principle of—we are used to calling it the Taft bill, or if you like, the Cooper bill, is a sound one. The equalization is, in this case, if in any case at all, justified, in my opinion.

So I do not wish to differ too much with the Senator from Pennsylvania, because I think we both have the same objective in mind, but these distinctions, I submit, are not based upon a matter of opinion on whether Pennsylvania is so-called rich. It is rich, and there is no doubt about it.

#### CORRELATION BETWEEN EDUCATION AND WEALTH

And the statistics of the Internal Revenue Service, the Commerce Department, or any other statistics gathering agency proves this.

Senator CLARK. It is always disagreeable to have to differ with my distinguished colleague for whose ability I have such a high regard. I would like to point out, in Arkansas there is only one school system. In Pennsylvania there is two, and those who go to the other school system are required to pay for both. This has a certain amount of equity and constitutional backing behind it, but when you say Pennsylvania is factually so rich I think you ought to take that into account, too.

Senator FULBRIGHT. I compliment the Senator and his State, and one of the principal reasons they are rich is because they have a good educational system, because they started their educational institutions a long time ago. You have developed men intelligent enough to take care of the affairs of Pennsylvania as you are now doing in this Senate.

You have been doing it for a long time. There is a very close correlation between education and the economy of States.

Statistics will prove exactly the same thing among nations, that those who have a high educational standard are invariably the ones that are best developed and have the best standard of living.

I do not criticize the Senator. I pay tribute to Pennsylvania for having had the wisdom a long time ago to set up many good schools, both public and private, and I do not quarrel with that at all.

All I am trying to put across is the point that other parts of this country have need of better education, not only parts, but the Nation as a whole.

The people who are brought up in these poorer States do not stay there, in all cases.

Many go to other States and areas. The whole Nation is influenced by the character of their educational background.

It is true that because of the high level of the standard of living in places like Pennsylvania and New York, they tend to attract away from the poorer States their best educated, their most intelligent, and most able people.

#### HISTORICAL BACKGROUND

This is an inevitable loss we suffer. Probably our greatest loss in the South, where we were completely destroyed, our whole economy was absolutely destroyed only a hundred years ago—we had absolutely nothing, practically, from an economic point of view to start with. And it has been very difficult to rebuild this area and I want to explain that we do not have a poor educational system because we like it that way.

As the statistics show, we are paying a greater percentage of our income to support our schools than the richer States.

I used Connecticut because it is an outstanding example, and I dare say the same is true of Pennsylvania. We are paying a higher percentage of what we have. We recognize that education is important.

But we have been an exploited, conquered part of this country for a hundred years. Even the wealth that is there is owned largely by people in Pennsylvania, New York, and other rich States. The great aluminum, bauxite deposits are owned about a hundred percent by citizens of Pennsylvania.

Until recently they have been dispersing the aluminum industry under certain antitrust laws, but it was developed under the auspices and ownership of the people of Pennsylvania. And this is one of the reasons that they are poor, because most of our great assets have been owned by people in the North.

These are facts of life I didn't think we needed to go into. Now, when you come to the education bill this is a national matter. The whole people are involved in not only trying to improve the quality of our national life but in trying to sustain our place in the world, and we are not going to do it unless all of us have more sense and more ability and better developed intelligence than we have had. That is why this should be approached on the basis of bringing up the level of all people in this country.

The people growing up in the poor States are poor through no fault of their own, in most cases. They should be given a reasonable opportunity to improve the education of their young people.

Senator CLARK. Mr. Chairman, I seem to have unintentionally started a fire. I would like to put it out by passing.

Senator MORSE. The Senator from Texas.

#### ARKANSAS ECONOMY

Senator YARBOROUGH. Senator Fulbright, along the lines of the economy you were discussing, is it not a fact that practically all the income of the people of Arkansas which is listed as one of the poorer States comes from the extractive industries like farming, mining, fishing, and lumber.

Senator FULBRIGHT. The Senator is quite correct. Until very recently we were under such an inhibition because of the freight rate structure in this country we could not profitably engage in manufacturing. This is merely one example of what I had in mind. These very intelligent and shrewd people from the northern section of the country so fixed our freight rates that manufacturing could not develop in the South until the Second World War. There is no doubt about it. They had exactly the same attitude toward the South and the West as, in the days of the Revolution, England had toward this country. They wanted us to produce the raw materials for their factories and to purchase the product from their factories and we did exactly that.

Now, there has been a dramatic increase in industrialization in this area since World War II, but this is only 15 years ago. They have had industries in the Northeast for 200 years. We have had them in effect about 15 years.

And there simply has not been time. We are making progress but it is not in anywhere near the same status that it is in the Northeast now.

I do not complain about it. That is ancient history. We are not trying to open that up. But when you say that these so-called rich States such as Pennsylvania leave the impression they do not know whether they are rich or not, I think that is not according to the facts.

They are in fact rich but that is neither here nor there. What we are trying to do is bring up the quality of education everywhere. Not my State—I only use it as an example. I could say the same of many other States as you well know.

#### REGIONAL CONCENTRATION OF WEALTH

Senator YARBOROUGH. Senator Fulbright, isn't it a fact that those limited areas of the country that control the transportation—areas of the country in which the manufacturing is centered—is it not a fact the whole wealth of the country is concentrated in such limited areas—that it takes the Federal tax system to get any kind of equitable school system?

Senator FULBRIGHT. Of course, that is where the big tax base is. This has grown up more or less haphazardly. Take a matter like the Interstate Commerce Commission—it was for years, certainly until World War II, dominated by these people. I would not expect them to act any other way, the way people have always acted when they have had power. And they will continue to do it. Gradually the enlightenment of other people from other areas have enabled them to find out why they could never make progress and gradually there have been means taken and countermeasures taken to begin to equalize the situation. I say it happened about 15 years ago.

I don't want to be in the attitude of criticizing these people for what is now history. I think they acted in accordance with normal human behavior but I think we ought to try to correct it. This is the major way to try to correct it. The one thing we have suffered from more than anything else in this area is lack of adequate educational opportunity.

This matter of the raw materials is quite true but one of the reasons we suffered that and it continued is that we did not have sufficiently

enlightened people even to realize what was wrong with us until recently, and we went ahead and accepted this situation. Many of our people did not realize why we were unable to establish industries until recent years.

#### RESULTS OF EDUCATIONAL DEFICIENCIES

Senator YARBOROUGH. A recent survey in my State, Senator Fulbright, showed that of all the management jobs in the State of Texas, 65 percent were filled by people educated beyond the borders, and only 35 percent by people educated in Texas. We are the cutters of wood and haulers of water because of deficiencies of education.

Senator FULBRIGHT. That is right, and many times our managerial talent did not stay there because the business was not there.

Some of the best businessmen in New York came from my State and other States like it. They went there because the opportunity to make great fortunes and so on did not exist in the other areas.

It works both ways.

Now in your State with its great development they are coming back to manage your new industries. You have more industry. Of course Texas is a much richer State than most of the States in that area.

Senator YARBOROUGH. Yes; in that area.

Senator FULBRIGHT. In that area. It is still below the national average.

Senator YARBOROUGH. We are about 28th, 29th, or 30th in the national per capita income.

Senator FULBRIGHT. And considering the national resources in your State you should have been much higher than that.

Senator YARBOROUGH. Had we had the educational system that Pennsylvania had we should have been on the top.

Senator FULBRIGHT. You should have been.

Senator YARBOROUGH. But ours being an extractive industry, the wealth was taken out and the educational system has not developed.

Senator CLARK. Will the Senator yield?

Senator YARBOROUGH. I will yield.

#### FAIR SHARE FOR PENNSYLVANIA

Senator CLARK. I will reluctantly enter the controversy briefly.

I am presently serving on Governor Lawrence's Committee for the Educational Needs of Pennsylvania, and I can assure my colleagues that far from having one of the best educational systems in the country, we have one which is drastically in need of complete overhaul from kindergarten to graduate school.

We welcome this Federal money, even if we are only getting our fair share of it.

Senator FULBRIGHT. I agree with all the Senator has just said. I have no idea of not giving Pennsylvania a fair share and I favor a bigger program than this.

I will support as big a program as you bring out of this committee. I only wish to be practical. We have passed in the Senate three times good bills and they never got through the Congress. So I am looking for something we can pass through the House and get enacted into law.

I supported and was a cosponsor of the first bill back in 1948 and I have no disposition not to help Pennsylvania. What I had to say a moment ago is a relative matter. Relative to the other educational facilities in the country, yours are very good.

I would agree that it probably needs upgrading in accordance with the statistics I have mentioned a moment ago in these recent studies. I do not know if the Senator was here when we were talking about that book.

Senator CLARK. Yes.

Senator FULBRIGHT. That to me is the absolute, unquestionable proof of the needs of this bill.

#### GEORGE WASHINGTON'S RECOMMENDATIONS

Senator YARBOROUGH. Mr. Chairman, Senator Fulbright: Your very fine statement of the requests for Federal aid shows this is no new thing but antedates the Constitution itself.

I would like to mention that in his message to the Second Congress in 1790 George Washington recommended to the Congress that they enact an aid for Federal aid to education. The question of whether you supplement the institutions of learning now in existence or create new ones, he left up to the Congress.

I often get letters from people saying, "Where is there any authority in the Constitution for this Federal aid you advocate?"

Don't you think that George Washington as President of the Constitutional Convention that drafted the Constitution was in a better position to judge whether Federal aid was permitted under that Constitution than any man now living?

#### LAND GRANT COLLEGE ACT

Senator FULBRIGHT. Yes, I would say he was a good authority and Mr. Lincoln was a good authority also. One of the best Federal assistance programs we have had passed under his sponsorship in 1862, I believe it was. The university where I used to teach was created as a result of the Morrill Act. I taught there and was in the administration and I never detected one single instance of an attempt of the Federal Government to manage the school or tell us what to teach or tell us to fire anybody or in any way influence the conduct of that university.

Every State has one of those institutions, and if Federal control were a real threat we would have long since heard of it. I think that is completely, as they used to say, a red herring.

It has no real relevance to this question. The only question is whether we need it, and whether it is in the national interest. And I do not think there is any question about either.

I think we need this bill more than we need any bill that will come before the Congress.

Senator YARBOROUGH. I could not agree with the distinguished Senator more and I receive more mail than the Senator from Arkansas does saying this infringes on the States' rights.

Does the distinguished Senator from Arkansas know a right of the States that will guarantee people the right to remain uneducated?



Senator FULBRIGHT. Well, that is a very questionable right. We have compulsory education in most of the States. The States have recognized the need for their people to be educated.

#### QUESTION OF LOCAL CONTROL

But I do think that the question of local control is a matter of efficiency, of intelligence, of wise administration. I think one of the virtues of our Federal system is that each State is in a sense a kind of laboratory in which they can pursue their methods, and I think much good comes out of this. And also local people, I am sure, take more interest if they have responsibility. If they do not have it, they inevitably lose interest and let people from far away run things. School boards may make mistakes, but I think that local control is by far the best way to administer these affairs.

Senator YARBOROUGH. I thank the distinguished Senator from Arkansas.

Senator MORSE. Senator Fulbright, is the University of Arkansas a land-grant college?

Senator FULBRIGHT. It is.

Senator MORSE. You were president of the university for some time.

Senator FULBRIGHT. That is right.

#### FEDERAL INTERFERENCE

Senator MORSE. In your presidency did you ever feel at any time any interference on the part of the Federal Government in connection with the educational policies of the institution?

Senator FULBRIGHT. None whatever.

They have never attempted to interfere in the administration of these institutions. I never heard it from any other States. I used to meet with the presidents of many institutions. I never had one of them bring the matter up that they were being imposed upon by the Federal Government.

Senator MORSE. I do know you have to leave, but I want to give the Senator from Arizona an opportunity to question.

Senator GOLDWATER. I have no questions.

Senator RANDOLPH. I have a question.

Senator MORSE. May I apologize to the Senator from West Virginia. I thought he was in Atlantic City.

Senator RANDOLPH. The matter in which you have considerable interest is to be voted on this afternoon so I thought it more important to be here than at the convention. I am grateful to you for making mention earlier of my interest in the subject.

Senator Fulbright, West Virginia has the doubtful distinction—it is almost a distinction equaled by Arkansas in other words—of having the largest population loss during the past 10 years. West Virginia has just a slight percentage more than Arkansas. And these are the only two States actually that lost population during that decade.

#### TEACHER PAY ON 12-MONTH BASIS

But you have mentioned in your testimony today that our teachers are woefully underpaid and overworked. I wonder if you would help

the subcommittee by indicating whether you personally believe it would be better to pay our teachers on a 12-month basis rather than the 7-, 8-, or 9-month basis at the present time.

Senator FULBRIGHT. Well, I have thought that it would be preferable to do that. If you are raising not only that question, but the better utilization of our plan, so to speak, I think that much can be done this way.

I think the one criticism I have of the school people is their reluctance to move in this direction.

Much has been written about this, that we ought to make greater use of your physical facilities so that you overhead was less per student. And with regard to teachers, the same theory applies, I think.

However, I do not believe it would be wise to make them teach 12 months for the same amount of money that they now get for 9 months, because many of them are able, and do, as a matter of fact, have summer jobs or extra jobs to try to make ends meet.

If you are going to say you have got to teach 12 months for the same salary, you now get for 9 I would not be for that.

But I do think it would be better to establish adequate pay for 12 months and also move toward greater utilization of the physical plant insofar as its pupils are concerned.

I do not see any reason why the school term could not be lengthened and the courses made more steady, if you like.

I think there has been a relaxation of the standards of our schools. That is quite apart from this bill. That problem is something the schools themselves have to meet and this is an area in which I think the Federal Government should not go. I am against that in principle.

I think if the Federal Government undertakes to interfere here that this will be a violent shift from our traditional philosophy of local control.

#### LOCAL DETERMINATION OF USE OF FEDERAL FUNDS

Senator RANDOLPH. The Senator, I am sure, would wish to tell the subcommittee how he feels about the local level of government, as it were, making the decision as to whether funds were to be used for school construction or for teacher pay increase, or equalization.

Senator FULBRIGHT. I believe each State should make that decision in accordance with its needs. It varies greatly from State to State. Some States have been able to build more schools at the expense of salaries, perhaps, and others may have done the opposite. I think this is a matter to leave to the States.

Senator RANDOLPH. I think that is important. I mention it because in West Virginia, I give just one county, McDowell County. In that county we have many, many schools which are not in use. Actually they are boarded up because of a loss of population.

The schools are modern and in some instances rather well equipped, but we do not have the children to go to those schools.

There we need, of course, as the gentleman realizes, the salaries of the teachers increased rather than additional classrooms.

Senator FULBRIGHT. I certainly agree with the Senator, and I think that because of the attraction of beautiful buildings to people who may not understand the importance of the curriculum—I think in

some cases they have put more emphasis on the building rather than the teacher.

I would give preference, myself, if there is any doubt about it, to the teachers; the improvement of the quality of the teachers is of first importance. The best ones are always being siphoned off by competing businesses or other professions.

And this ought to be reversed. The best people ought to be going into teaching, because it is more important than most of the professions to which they are attracted.

Senator RANDOLPH. Thank you, Mr. Chairman.

Senator MORSE. Our next witness will be the distinguished Senator from New Hampshire, Mr. Cotton.

We are very happy to have you with us, Senator Cotton, and you may proceed in your own way.

### STATEMENT OF HON. NORRIS COTTON, A. U.S. SENATOR FROM THE STATE OF NEW HAMPSHIRE

Senator COTTON. Thank you, Mr. Chairman, I apologize that I do not have many draft copies of the statement, and I would respectfully ask the committee's indulgence if I may have about 4 minutes to just give the bare bones of my bill and then be permitted to file a statement and a table in the record.

Senator MORSE. You may proceed in whatever way you care to.

(Senator Cotton's prepared statement follows:)

#### STATEMENT OF SENATOR NORRIS COTTON (REPUBLICAN, OF NEW HAMPSHIRE) IN SUPPORT OF S. 293 PRESENTED TO SENATE COMMITTEE ON LABOR AND PUBLIC WELFARE MARCH 8, 1961

A little over 100 years ago, Abraham Lincoln, who struggled the hardest under the greatest of handicaps to educate himself, complained about school:

"There were some schools, so called [where I grew up], but no qualification was ever required of a teacher, beyond 'readin, writin, and cipherin' to the rule of three. \* \* \* There was absolutely nothing to excite ambition for education. Of course, when I came of age I did not know much. Still somehow, I could read, write, and cipher to the rule of three, but that was all."

Lincoln later must have had his own experiences in mind when he signed into law the Morrill Act, creating the land grant colleges. That act, fathered by a New Englander from Vermont, Justin S. Morrill, established a new landmark in the field of Federal aid to education.

New landmarks are needed today, for our educational needs are infinitely more complex than in Lincoln's time. It is not surprising, therefore, that Lincoln's complaint about schools, slightly altered by the passing years, is echoed by parents and citizens today. The boy who wanted to be a first baseman now wants to be a first spaceman, and the demands on our educational system reflect his new outlook.

Education has grown into a colossus which enfolds 44 million students and 2 million teachers in 150,000 institutions. We spend some \$20 billion a year on it now, and the end is not even in sight.

Forecasts for the decade ahead show a continual expansion in the number of students, the number of teachers, and the cost of our educational systems. The Rockefeller report on education bluntly states that our schools and colleges will cost at least twice as much in 10 years. The recent report of the President's Commission on National Goals asserts that the Nation will have to spend in the neighborhood of \$25 billion on elementary and secondary school construction alone in the decade of the sixties. The report also foresees a nationwide increase of 26 percent in the number of pupils in public schools by 1970. A similar survey by the Federal Reserve Bank of Boston forecasts an 18-percent increase for New England and an 11-percent increase for New Hampshire over the decade.

The mushroomlike growth of education has put school districts throughout the Nation in a tight financial squeeze, and led to wide recognition that educational needs pose one of the toughest challenges of our times. But these facts have not generated agreement enough to produce a program of general Federal aid to education.

Debate on the subject has swirled over the land for more than a decade. Presidential message after Presidential message has been dispatched to the Congress and the country. Bills of every size and shape have clogged the hoppers and crowded the pigeonholes. Bills have been shunted back and forth between the Houses of Congress.

All to no avail. No general aid legislation has been placed on the statute books, despite the steadily growing need.

What are the obstacles which have stymied all the legislation in this field? There is no need to discuss them in detail before this committee, whose members are thoroughly, even painfully, aware of them.

Briefly they are—

1. A proper and legitimate concern that Federal aid will lead to open Federal control of education.
2. A danger that local control and responsibility for education will be undermined and diluted by a vast bureaucracy in Washington.
3. The realities, whether we like them or not, of the problems of racial integration.
4. The problem of apportioning the funds among States and the difficulty of devising a fair formula.
5. The question of aid, direct or indirect, for private and parochial schools, and whether or not such pupils are to be counted in apportioning the funds among the States.
6. The dangers of inflation inherent in new, large Federal spending programs.

Regardless of our personal attitude toward these objections, we cannot avoid the fact that they have sounded the death knell for every aid to education proposal advanced over the last decade.

Some of the bills before your committee, including, unfortunately, the President's proposals, renew the fight on the same old battleground, littered as it is with the bones of similar proposals which have died in the past. They are based on the same old tired arguments, the same rebuttals.

I think it is time we stopped fruitlessly banging our heads against the walls of opposition.

The legislators of Lincoln's deeply troubled times could reach agreement on the Morrill Act. We in our times ought to be able to find an acceptable way to provide Federal assistance to education. Surely, we can do as much for our pupils as we do for our pines, pigs, and peanuts, all of which receive Federal assistance in one way or another.

What we need to do is try a new approach. We need to seek agreement in new directions, avoiding the pitfalls of the past.

The key element in a successful program of Federal aid to education must be a solid recognition that the primary responsibility for education rests with the States. The program must be founded on that concept of State responsibility, and then enhance the ability of our States to discharge their responsibility. The States must not be treated simply as way stations along a pipeline between Washington and local school districts.

I wish to respectfully suggest that the legislation which I and Senator Miller of Iowa have introduced, S. 293, offers a means of meeting these objectives and, at the same time, avoiding most, if not all, of the roadblocks that have stopped every previous proposal.

S. 293, if enacted, will appropriate annually to each State 2 cents of the Federal tax on each package of cigarettes sold to the consumer within the State. The money will be immediately available to the State for educational purposes only.

The proposal is simple and direct.

Let me briefly explain how it would work and outline what I believe to be its advantages.

First, no element of Federal control is involved. The funds are appropriated directly to the States, for educational use in accordance with State law. No strings are attached. No Federal restrictions are imposed. The States may use the funds for teachers' salaries, for construction, for equipment, for opera-

tion, or for whatever educational purpose it deems most desirable. The application of funds to private schools would be governed, as it should be, by State law.

Second, it would not require the creation of a large force, a bureaucracy, in Washington to administer this money. All that would be involved would be a simple compilation of statistics. I do not believe any additional employees would be needed. Each State's share of the fund would be determined upon the basis of the cigarette sales within the State, and this could be readily calculated on the basis of the State's own cigarette taxes. In the case of the handful of States which do not have cigarette taxes, the share can be based upon average per capita consumption and similar data.

Furthermore, this would end all the troublesome difficulty of devising a formula for apportioning the funds among the State. There would be no question as to whether any State was receiving less or more than its proper share.

Every cent derived from collections within a State would be returned directly into the treasury of the State. None of it would be siphoned off into administration or overhead here in Washington.

On the basis of the current Federal collections, the bill will provide more than \$450 million a year for education. At the end of my statement is a table showing the estimated distribution of funds among the States.

The selection of the tax on cigarettes for this purpose deserves a word of explanation. Its use, of course, implies no moral judgment about cigarettes, nor any medical judgment either.

It was selected because it is one tax which is easily attributable to the States in which it is collected. Nearly every State levies its own tax on cigarettes, which makes allocation of the Federal tax relatively easy. Furthermore, the existence of comparable State tax leads clearly and directly to an eventual State assumption of this tax, as well as the responsibility for education, and thus, in the long run, freeing the Federal Government from its role as a tax collector.

From a comparatively quiet and modest beginning about a year ago, this proposal has drawn what to me is a very gratifying amount of public interest and support.

You will recall that when aid to education was considered in the House of Representatives last year, a bill very much like S. 293 was presented by Representative Frank Bow, of Ohio, as a substitute for the committee-approved bill and was initially adopted in the House by a teller vote of 154 to 129. However, a later rollcall reversed the vote and defeated this proposal. Nevertheless, I believe the House action clearly indicates a wide interest in proposals of this type.

It may also be worth noting that the recent report of the President's Commission on National Goals commented favorably on an approach like this to Federal aid to education. "This would put the Federal taxing power at the service of the States with little danger of control," the report states.

This proposal will not please the most ardent supporters of Federal aid to education. They will contend that it doesn't go far enough; that it is inadequate, and even that it is too simple. Those who are implacably opposed to Federal aid to education will undoubtedly recoil from it.

Nevertheless, it is my honest belief that we have charged and countercharged and fought and talked and advanced all the various measures for aiding education and still found ourselves coming out from exactly the same hole we went in, with nothing tangible accomplished.

I think it is time we stopped fruitlessly butting our heads against the same old walls of opposition.

It is time we found a proper and effective way to aid education and I respectfully urge the committee to give the most careful attention to S. 293, because I believe it offers a down-to-earth and realistic avenue for assisting the education of our Nation's youth.

TABLE 2.—*Preliminary estimate of annual receipts per State if 2 cents of the Federal tax on each package of cigarettes were returned to States, as proposed by Senator Cotton's bill, S. 293*

[Receipts in millions of dollars]

State:		State—Continued	
Alabama .....	\$5. 60	Nevada .....	\$1. 15
Alaska .....	. 50	New Hampshire .....	3. 00
Arizona .....	3. 60	New Jersey .....	17. 80
Arkansas .....	3. 00	New Mexico .....	2. 00
California .....	44. 00	New York .....	50. 00
Colorado .....	4. 00	North Carolina .....	9. 50
Connecticut .....	8. 00	North Dakota .....	1. 30
Delaware .....	1. 40	Ohio .....	26. 00
Florida .....	11. 00	Oklahoma .....	6. 00
Georgia .....	8. 50	Oregon .....	4. 50
Hawaii .....	1. 10	Pennsylvania .....	23. 00
Idaho .....	1. 40	Rhode Island .....	2. 10
Illinois .....	35. 00	South Carolina .....	5. 00
Indiana .....	12. 00	South Dakota .....	1. 40
Iowa .....	6. 20	Tennessee .....	7. 70
Kansas .....	4. 70	Texas .....	22. 00
Kentucky .....	8. 40	Utah .....	1. 25
Louisiana .....	7. 20	Vermont .....	1. 10
Maine .....	2. 80	Virginia .....	8. 20
Maryland .....	8. 00	Washington .....	6. 60
Massachusetts .....	14. 10	West Virginia .....	4. 10
Michigan .....	19. 10	Wisconsin .....	9. 20
Minnesota .....	8. 30	Wyoming .....	1. 00
Mississippi .....	4. 00	District of Columbia .....	2. 50
Missouri .....	11. 90		
Montana .....	1. 60	Total .....	455. 00
Nebraska .....	3. 10		

Senator COTTON. Mr. Chairman, the bill which I introduced and in which I was joined by the distinguished junior Senator from Iowa, Mr. Miller, namely, S. 293, is the same bill which I introduced in the former Congress.

At that time I did not appear before this committee. The bill received rather short shrift in the Senate. A similar bill, however, did receive some rather earnest attention in the House, and was only defeated in the House by, I think, a vote of 219 to 218.

Briefly, this approach to Federal aid to education, S. 293, provides that 25 percent of the tax collected in the various States on cigarettes, one-fourth of the 8-cent tax, be returned to the State in which it was collected, to be used for education in whatever manner the State itself shall determine.

I would like to take about 3 minutes to direct the attention of this subcommittee first to the merits of this approach.

I want to say that for my part this approach is not a subterfuge. It is not an attempt to block aid to education, because I believe, and have so indicated ever since I have been in the Congress, that a form of Federal aid to education is highly necessary and desirable and that a government which takes care of its trees and of its livestock should have a deep concern for its pupils.

#### APPROACH IN COTTON BILL

Now, first, this kind of an approach means that there is practically no problem of allocation of funds as between the States, no need of any complicated formula, because I believe the record will show that

every State except three—I think one of those is the State of the distinguished chairman—has a State tax on cigarettes. So that you already have in the records of each State a compilation already made which shows the amount, the proportion, of cigarettes that are sold or retailed in that particular State, and it is not a complicated matter to arrive at a formula for the three States that I believe do not already have this information set up.

So you already have in this approach a means of dividing the money between the States and a fair division, I would respectfully suggest, because if you will note the estimates for next year as between the States, you will note that it runs surprisingly close to the population as well as the income of the respective States.

Two, it avoids and largely does away with the problem of how this money shall be used—the old controversy which we have every year as to whether it shall be confined to construction, to classroom whether it may be used for teachers' salaries, because under this formula, under this bill, the money is returned to the States. It was collected from the people within the State. It can be used, however the State desires to use it, either for teachers' salaries, classrooms, or any other purpose, provided it is for education.

Three, it obviates the problem which has been such a road block in the way of Federal aid, the question of racial segregation, the question of private and religious schools.

Incidentally, my own State is the second in the Union in the percentage of pupils that attend nonpublic schools; 25 percent roughly of the pupils in my own State attend nonpublic schools.

Already from every wind that comes, north, east, south and west, you begin to note the beginnings of the controversy as to whether some portion of aid may be used for private and parochial and other schools.

This bill means that the Federal Government takes no position on that, and I again say this is not a subterfuge. In many States in this Union there are already certain arrangements that have been made. Mine is one of them—that have been successfully and happily followed for a long time, under which certain advantages such as transportation and other ways, private and parochial schools, whose supporters also pay taxes to support public schools, do derive some benefit in accordance with the needs and with the public opinion and the feeling in the particular State.

This approach means that you do not have this bill blocked over a philosophical, religious, or governmental controversy on this question.

Fourth, no added Federal bureaucracy is needed to administer this bill, because as I have already pointed out, we already have the records in every State in the Union except three that divide this up. You do not even have to add more than a possible clerk downtown in any bureau to administer this bill.

And fifth, it is a complete answer to those who oppose Federal aid to education because they fear Federal control.

Now, fundamentally those five points I urge upon the committee's consideration, and I urge this sixth, this practical point, that this approach, under this approach, this bill can pass and become law.

I do not say that the administration bill or some other bill may not, but I do say that the experience so far has been that we have bumped our heads against the barrier of religious questions and of racial questions and of how the matters of dividing up among the States should



be handled, and Federal control, and thus far, year after year, in Congress after Congress, it has resulted in no affirmative action along in this line.

This approach in my humble opinion would practically insure Federal aid to education. And that is another reason why I assert again to this committee that it is not a roadblock, it is not a subterfuge, it is not advanced by its author to prevent aid to education but to promote it and make sure we get it.

Now, Mr. Chairman, if I may be permitted, I want to touch frankly on the objections to this bill.

#### OBJECTIONS TO COTTON BILL

The first objection is a very real one and that is that it not introduces but does advance the rather poor practice of earmarking tax funds for specific purposes.

As a former member of the Committee on Finance in the Senate and the Appropriations Committee in the House, I am philosophically opposed to the practice of earmarking funds for particular use. It is true that we have breached that wall in a sense in our highway system, it is true that we collect taxes on shotgun cartridges and earmark those taxes for preservation of wildlife. There have been certain steps already taken which I know, but I view with some apprehension the growth of that.

Senator MORSE. May I interrupt to supplement your statement?

Senator COTTON. Certainly.

Senator MORSE. We also do it in one instance I can recall in connection with certain funds received from forest lands.

A certain percentage of the revenues from forest service timberlands goes to some of our Oregon Counties as payment in lieu of taxes and is earmarked for use in connection with educational purposes and road purposes.

Senator COTTON. I thank the chairman, and I had thought of that.

The reason I did not name that is because that is income from forest lands and is not direct tax income. I think the object is largely the practice of earmarking tax funds. And I freely admit this is an objection, but I again assert, Mr. Chairman, and gentlemen, that the objection is pretty small when you realize—

Senator MORSE. These are payments in lieu of taxes, so in a sense, they are really part of our tax structure.

Senator COTTON. That is true and this objection is not very significant when you weigh against that, the road blocks that you avoid by this approach.

Now, second—of course, obviously if this revenue is taken, it has to be replaced. Someone always says "You can't divert some of the cigarette tax for this purpose and not replenish it."

That is perfectly true but it is equally true that if you pass a bill which calls for new money, that has to be raised.

Others may say that this is too small.

#### AMOUNT AVAILABLE UNDER COTTON BILL

It is too little. But if the subcommittee, when they have the opportunity, will glance at the estimate for what would go back to the States

the first year if 25 percent of the cigarette tax, 2 cents out of the 8 cents, were diverted for this purpose or used for this purpose, you will find then it means \$455 million would be distributed to aid education in the several States.

Now, I do not want to misquote the administration bill which will be presented by somebody, but I have the impression that the first year under the President's recommended plan only something like \$670 million, so if you only use 2 cents for this purpose the first year—and check me if I am wrong—my impression is this is about two-thirds of what would be distributed under the administration plan.

Senator MORSE. \$666 million the first year under the administration plan.

Senator COTTON. Thank you, Mr. Chairman.

So that means this will be two-thirds. So this is certainly not peanuts.

Furthermore, the income from the cigarette tax has been growing. In fact this estimate I am filing this morning is a substantial increase over the one I filed when I introduced the bill.

It has been growing every year and has been growing every month. So it means a substantial amount.

The objection may also be raised—I have touched on it—that this is not allocated per pupil, but I call attention again to the fact that it is a pretty accurate allocation by population and by wealth and resources of States.

Senator MORSE. Senator Cotton, may I interrupt to turn the chair over to Senator Hill. I have been called to the Foreign Relations Committee for brief testimony I might give there on another matter.

Before I leave, I want to assure you as chairman that your bill will receive thorough consideration in the executive meetings of the subcommittee. I shall see to it that a careful analysis of your bill is prepared together with a report to the committee upon it.

May I say in a lighter vein and in a sense of good humor, I think there is one objection you will run into—perhaps you have it on your list. There is pending before the committee, and we will have consideration of it later—it is not in connection with these hearings—a bill which proposes to assign Federal funds to schools to discourage cigarette smoking. I thought you should know of it. [Laughter.]

Senator COTTON. I thank the chairman. I was about to say that last year on the floor of the Senate the objection was raised that this is immoral and we should not encourage cigarette smoking. That is not true, because this does not suggest any additional tax on cigarettes.

It simply provides that a portion, 25 percent, be used for public education. It does not encourage anybody to smoke.

And furthermore, the choice of a cigarette tax—I am glad the chairman brought it to my attention—the reason I selected it after careful consideration was that that is one tax that is easily computed, because it is already computed by the States, and second, that it runs surprisingly close to the population and the financial resources of the State.

I think it is not logical to say this encourages anybody to smoke cigarettes.

I thank the chairman and I thank the committee and that constitutes all I wish to say.

Senator HILL (presiding pro tempore). Senator McNamara, a question?

Senator McNAMARA. No.

Senator HILL. Senator Javits?

Senator JAVITS. No.

Senator HILL. Senator Clark?

Senator CLARK. No.

Senator HILL. Senator Goldwater?

Senator GOLDWATER. No.

Senator HILL. Senator Yarborough.

Senator YARBOROUGH. Have you made a computation on which States smoke the heaviest and whether there will be a difference in income to the schools based on the smoking habits of States?

Senator COTTON. I have already answered by saying this runs surprisingly close to the population of the States so it would indicate when everything is averaged up that about the same proportion of people smoke in New Hampshire as in Texas although there are many, many, many more people in Texas and more money.

Senator YARBOROUGH. We will have to look at the per capita incomes.

Senator HILL. Senator Dirksen, any questions?

Senator DIRKSEN. I was going to suggest to my distinguished friend from New Hampshire perhaps we could double the cigarette tax and take all the increment and we would have a lot more money.

Senator COTTON. Obviously if you take a lot more money and distribute it for education, you get more and that is nice.

But it seemed to me that was a reasonable amount, and also it seemed to me that as a practical matter this was not out of proportion to many of the other proposed Federal aid bills.

Senator DIRKSEN. I was not suggesting that we double the tax. I was merely raising an inquiry about it.

Senator COTTON. May I say facetiously you were just suggesting that if it was done it would be sure to kill my bill.

Senator DIRKSEN. No.

Senator HILL. Senator Randolph, any questions?

Senator RANDOLPH. Mr. Chairman, an informal poll of Members of the Senate indicates there are more than 60 Senators who do not smoke cigarettes. I realize this has no pertinence but since you are talking of cigarettes, I just add that for the record.

Senator COTTON. Of course, I do want to say this so the record may be clear on things said facetiously here. Somebody may come in with a beautiful, high-sounding argument, that you are simply collecting money from the people who smoke to support public education, and people who do not smoke do not contribute to it, but also there are many Members of the Senate that I suspect pay a much larger income tax than I pay, and those Members of the Senate are paying more toward the cost of Government than I am paying.

This tobacco tax is a certain source of revenue that goes into the Public Treasury. It is easily divisible. It lends itself to a very simple formula. It is fair as between the States. It avoids the complications of racial and religious difficulties in Federal aid to education.

Therefore, I suggest it as a practical approach and a fair one.

Senator HILL. We certainly want to thank you, Senator, for your appearance here.

Now, we will hear from the Secretary of the Department of Health, Education, and Welfare, Secretary Ribicoff.

Mr. Secretary, we welcome you here this morning and like to have you. We are only too happy now to have you proceed in your own way.

Secretary RIBICOFF. First, Mr. Chairman, I want to thank you and the committee for this opportunity to testify. This is the first time I have testified before this group. I look forward during the years ahead to appearing here time and time again before a committee whose members I know and respect for their ability and interest.

I would like to take this opportunity first to present to the committee the Commissioner of Education-designate, Dr. Sterling McMurrin.

Senator HILL. We are glad to have you here, sir.

Secretary RIBICOFF. He just came in from Utah today and under the circumstances has not had much to do with this bill, but I thought he should be present.

Senator HILL. Do you want to present for the record the other two staff members.

Mr. FLYNT. My name is Ralph Flynt, Assistant Commissioner for Legislative and Program Development, and Dr. Kenneth Simon, Department of Educational Statistics. Mr. Chairman, when we reach titles II and III we would like to introduce Dr. Grigsby, Associate Commissioner for School Assistance in Federally Affected Areas, and B. Alden Lillywhite, Associate Director, Division of School Assistance in Federally Affected Areas.

Senator HILL. We are glad to have you here and also Mr. Lillywhite.

All right, Mr. Secretary, you may proceed in your own way, sir.

**STATEMENT OF ABRAHAM A. RIBICOFF, SECRETARY, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE; ACCOMPANIED BY WILBUR J. COHEN, ASSISTANT SECRETARY-DESIGNATE, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE; STERLING M. McMURRIN, COMMISSIONER-DESIGNATE OF EDUCATION; RALPH C. M. FLYNT, ASSISTANT COMMISSIONER FOR LEGISLATIVE AND PROGRAM DEVELOPMENT, OFFICE OF EDUCATION; DR. KENNETH A. SIMON, ANALYTICAL STATISTICIAN OF THE REFERENCE, ESTIMATES, AND PROJECTION SECTION, OFFICE OF EDUCATION; DR. RALL I. GRIGSBY, COMMISSIONER FOR SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS; AND B. ALDEN LILLYWHITE, ASSOCIATE DIRECTOR, DIVISION OF SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS**

Secretary RIBICOFF. Mr. Chairman and members of the committee, I appreciate this opportunity to appear before you in support of S. 1021. In his message relating to American education delivered to the Congress under date of February 20, 1961, President Kennedy said:

Our progress as a nation can be no swifter than our progress in education. Our requirements for world leadership, our hopes for economic growth, and the demands of citizenship itself in an era such as this all require the maximum development of every young American's capacity.

The human mind is our fundamental resource. A balanced Federal program must go well beyond incentives for investment in plant and equipment. It must include equally determined measures to invest in human beings—both in their basic education and training and in their more advanced preparation for professional work. Without such measures, the Federal Government will not be carrying out its responsibilities for expanding the base of our economic and military strength.

The Federal Government is now—and has long been—deeply involved in the support of education. Four years before the adoption of the Federal Constitution, in the Survey Ordinance of 1785, the National Government provided that—

there shall be reserved the lot No. 16 of every township for the maintenance of public schools in each township.

Two years later the Northwest Ordinance of 1787 enunciated and further emphasized the principle that education of the people must be a requirement for the continued existence of a democratic society. Later enactments continued the principle of Federal endowment for public education in new territories and States. In the territories, the Federal Government itself organized school systems which were turned over to the States for administration as they entered the Union.

In 1862, Congress created the great land grant system of colleges and universities—a unique form of higher education which has contributed mightily to the growth and development of our country.

The Vocational Education Act of 1917, the so-called Smith-Hughes Act, establishing the program of Federal assistance for vocational education, was in direct response to widely expressed needs of the American people.

The GI bills, providing education for the veterans of World War II, have been a statesmanlike contribution to the education of American youth.

The National Defense Education Act of 1958 is helping our public schools to improve their programs in mathematics, science, and modern foreign languages, conceded by all to be areas of crucial national concern. The several programs of the National Science Foundation aimed to modernize and strengthen the teaching of science in the schools also represent a similar significant contribution.

#### ONE HUNDRED AND SEVENTY-FIVE YEARS OF FEDERAL AID TO EDUCATION

The Federal role has been a legitimate and accepted part of the American educational experience since the founding of the Republic. For 175 years Federal aid to education has helped to serve the national interest.

These Federal activities have not come about by accident or to demonstrate a theory. The Congress has authorized Federal aid to meet certain specific needs, when other solutions were not deemed adequate or sufficiently timely.

These programs of Federal assistance to education have, in my judgment, been administered without evidencing one shred of Federal control. As a former Governor of a State, I have naturally been very sensitive to the question of Federal-State relationships and have been anxious to preserve the rightful responsibility of and independence of action by the States. In my 6 years as Governor of Connec-

ticut, not once has the Federal Government exercised control directly or indirectly over education in my State. I doubt whether you will find any such interference in any of our 50 States.

#### THE ADMINISTRATION'S PROPOSALS

I have come before you today to explain and to urge you to support S. 1021, which embodies the Administration's proposals to provide Federal assistance, one, for teachers' salaries, classroom construction, and special projects in our public elementary and secondary schools and, two, for maintenance and operation and classroom construction in those school districts affected by Federal activities.

It is my firm judgment that S. 1021 embodies those two great principles which have been found in our long-continued tradition of Federal support of education. These principles are recognition, one, that the Federal Government has an especial concern for programs which are in the national interest and, two, that the basic responsibility for the operation and administration of our school system inheres in the State and local communities.

The United States is the first nation in history to establish universal public education as its goal. We have demonstrated that education can give each individual a chance to develop his particular talents to the fullest. This kind of educational system is a remarkable and original concept in the perspective of history. This concept, coupled with a concept of educational excellence, represents an essential requirement for our continued progress and survival as a free nation. Our future requires that appropriate educational opportunities be freely available to all children and youth no matter what their background, circumstance, or place of residence.

#### RISING ENROLLMENTS AND INCREASING COSTS

We have made substantial progress toward meeting this goal, but rising enrollment and increasing costs have placed great pressure upon the States and local school districts. During the past decade, enrollments in public elementary and secondary schools have increased from 25.7 million to 37.6 million, or 46 percent. Annual expenditures have increased during the same period from \$6.5 billion to \$16.5 billion, or 154 percent. The cost per pupil in our public education system has jumped from \$284 a year to \$496 per year—an increase of 75 percent.

While Federal tax dollars have increased 85 percent in the postwar years, State and local communities have had to increase their tax revenues by 221 percent. From 1946 to 1959, while the Federal debt increased by 6 percent, State and local debt soared by more than 300 percent. Property taxes, the traditional source of revenue for education, are in many areas rapidly approaching the limits of reasonableness.

Another problem confronting many a school district is the great mobility of our population. Each year more than 5 million people move from one State to another. Today's resident of a high income State with a better-than-average school system may well find tomorrow that his children must attend a less-than-average school in a low income State.

Moreover, the States exhibit varying degrees of ability to support education. The two charts on the right show school expenditures per pupil, covering all our States.

For example, the State with the highest income enjoys almost four times the income per public school pupil found in the State with the lowest income. On the other hand, the lowest income State has almost 50 percent more children in public school for each 1,000 population as the highest income State.

#### PROJECTION FOR THE NEXT DECADE

The next decade holds no promise of lessened impact upon our resources available for support of education. Enrollments in public elementary and secondary schools will increase from 36 million in 1959-60 to 44 million in 1968-69. These increases in enrollment will require an additional 437,000 instructional personnel and 600,000 new classrooms by the end of the 10-year period. Of more striking importance, however, is the fact that greatest pressure will be placed upon us during the next 5 years. We cannot afford, in my judgment, to permit any of our children to go even 1 year longer than necessary without adequate instructional staff and classroom facilities.

We are therefore proposing in S. 1021 a measure which is aimed to focus especially upon the problem of providing adequately for the teaching profession and for the necessary facilities for public elementary and secondary school programs, with additional emphasis upon certain special and unique problems.

#### ALLOCATION OF FUNDS LEFT TO STATES

We are suggesting that the States themselves be authorized to decide in what proportion they desire to utilize the proposed Federal financial assistance for teachers' salaries or for classroom construction. We believe that the States are the best judges of the degree and incidence of educational need within their borders. For example, the State which has already made substantial progress in meeting its construction needs can turn to the problem of increasing the salaries of members of its public school instructional staff. Another State which has not yet surmounted the problem of constructing adequate classrooms may, while giving early emphasis to meeting these needs, also use a share of its allotment to increase the salaries of teachers.

#### TEACHERS' SALARIES

In order to have professionally qualified and competent teachers throughout our public schools, we are going to have to provide salaries that are competitive with those in other occupations requiring equivalent training and experience. Inadequate salaries for instructional personnel are a primary deterrent to the recruitment and retention of highly qualified persons to staff our public elementary and secondary schools.

In order to keep from losing ground on the basis of present qualification standards, the States and local school districts will be hard pressed in face of the need for increased numbers of teachers. To raise qualification standards in a tight market for personnel with high



professional training—and we should raise such standards—will require substantial improvement in the level of teachers' compensation.

While the States and localities must bear the main burden of such increase, the Federal Government can and should make a substantial contribution to assist the States and local communities in meeting their goals. Moreover, we must make it possible for our public elementary and secondary schools to bring the present instructional staff up to the requisite standards as promptly as possible. The 90,000 teachers now in our classrooms who fail to meet full professional certification requirements must be assisted to meet these requirements as promptly as possible.

#### CLASSROOM NEEDS

It is evident that we do not have enough classrooms to meet our needs. We should not allow a condition to continue in which several million pupils are studying under overcrowded conditions, in half-day or curtailed sessions or in substandard, obsolete, or dilapidated classrooms. The problem of meeting the need for instructional space is complicated and made more difficult by the fact that the bulge of school age population has now begun to be felt to the fullest extent in the secondary schools thus increasing the cost of instructional facilities. The percentage of enrollment in secondary schools has increased from 27.9 in 1954 to 32.6 in 1960. The number of secondary school students reported in excess of normal classroom capacity in 1954 was 18.7 percent of the total, whereas the number so reported in 1960 was 36.8, or almost double.

#### SPECIAL PROBLEMS

In addition to the basic problems of instructional staff and classrooms, States and school districts throughout the country are faced with an ever-increasing and complex set of special problems.

Massive population shifts are filling central cities with people with underprivileged backgrounds and multiplying the school age populations of surrounding suburbs.

In urban centers, schools must cope with the special educational needs of culturally deprived children and even of many children unable to use the English language in school. They cope daily with rapid enrollment increases, high rates of pupil turnover, and serious overcrowding. One school system in suburban Los Angeles has had a 1,200-percent increase in enrollment since 1948. The number of pupils of Puerto Rican origin in New York City schools, for example, increased from 28,700 in 1949 to 113,900 in 1956. Many of these pupils have had little schooling and the great majority are unable to use English adequately.

School systems serving areas of chronic unemployment and economic distress—conditions which have continued in some instances for more than a generation—are confronted with particularly distressing problems. In these areas the property tax base is static or declining, while school-age population and costs continue to rise. Pupils come to the schools suffering from health defects and poor nutrition. Many of the ablest older pupils must leave school before graduation in order to contribute to family support.

Other local areas are unable to provide adequate education for the children of migrant farm labor families who follow the crops. These

children have extremely poor attendance records and meager educational attainments. Moreover, they suffer from a high incidence of disease and malnutrition.

#### PILOT DEMONSTRATIONS AND EXPERIMENTAL PROJECTS

Creative new approaches outside the normal school programs in being are required to meet these and similar special educational problems. To stimulate and facilitate these new approaches, title I of our bill provides that amounts equal to 10 percent of their first-year allotments are to be used by the States in each year of the program for pilot demonstrations and experimental projects designed to meet educational problems or to develop or evaluate educational programs of a special or unique nature.

The bill specifically enumerates some of the possible solutions which States may adopt to meet their unusual problems. I shall cite only a few of such possibilities.

For example, remedial reading or other special instructional programs could be set up for pupils having special reading or language difficulties. Programs could be established for children of migrant workers.

Schools could be enabled to dovetail their planing and programs into the total of community activity carried on in deteriorated parts of our great cities or in depressed areas for families and children residing therein.

Pilot and demonstration programs of new types of elementary and secondary school curriculums could be set up. A very important aspect could involve programs to encourage and stimulate educational excellence, especially for exceptionally gifted children.

Special programs could be developed for pupils in sparsely settled rural areas where distances preclude further consolidation of schools. Such programs might include the use of new media such as radio and televisoin, or the provision of traveling teachers and mobile science and language laboratories.

In my judgment, a multitude of possibilities exist for creative and imaginative approaches to unusual educational problems which exist over and above those we can meet in our customary programs. The higher horizons projects now going on in New York City, as well as the special programs underway in Chicago, are illustrations which come to mind.

I shall not take the time to recite all of the provisions of the bill. However, I should like to draw your attention to certain significant highlights of the proposal. Title I would authorize Federal grants to the States of approximately \$2.3 billion for their public elementary and secondary schools over a 3-year period. In the first year, the sum authorized would be \$666 million; in the second year, \$766 million; and in the third year, \$866 million.

#### ALLOCATION OF FEDERAL FUNDS AMONG THE STATES

Financial assistance under title I of the bill would be allocated among the States in such a way as to take account of the total personal income of the citizens of each State relating to the total number of public school pupils in the State. The effect of this method of alloca-

tion is to provide that the lowest income State will receive almost twice as much assistance per public school pupil as the highest-income State. In this way, the bill recognizes that the need for assistance varies among the States in accordance with their relative fiscal capacity, as measured by personal income within the State.

Just as a matter of information, I would say to members of the committee that while we have adopted essentially the system of allocation found in S. 8, our proposal differs from S. 8 in certain respects. First, the allotments in our bill are based on pupils in average daily attendance in public elementary and secondary schools rather than on school-age population as in S. 8. Second, we have imposed no upper limit upon the amount that a State may receive. We do, however, provide that no State shall receive less than \$15 per public school child.

With your permission, Mr. Chairman, I should like to ask that there be inserted in the record at this point a table which indicates under title I of the bill the total amount of assistance and the amount per public school pupil which each State would receive during each of the 3 years of the program.

Senator HILL. It will be included in the record at this time.

(The table referred to follows:)

TABLE 3.—Estimated allotments to States under the proposed administration School Assistance Act of 1961

States	Fiscal year 1962		Fiscal year 1963		Fiscal year 1964	
	Amount per State	Amount per pupil in average daily attendance in public schools	Amount per State	Amount per pupil in average daily attendance in public schools	Amount per State	Amount per pupil in average daily attendance in public schools
(1)	(2)	(3)	(4)	(5)	(6)	(7)
50 States, District of Columbia, Guam, Puerto Rico, and Virgin Islands.....	\$666,000,000	\$19.75	\$766,000,000	\$22.04	\$866,000,000	\$24.22
Alabama.....	19,691,692	27.27	22,583,245	31.06	25,327,454	34.65
Alaska.....	555,000	15.00	645,000	15.00	750,000	15.00
Arizona.....	6,260,276	22.60	7,619,234	25.74	9,043,884	28.71
Arkansas.....	10,538,844	28.18	11,874,871	32.09	13,101,790	35.80
California.....	52,733,321	16.82	64,313,909	19.16	76,414,133	21.37
Colorado.....	7,157,176	19.83	8,603,311	22.58	10,074,516	25.19
Connecticut.....	6,600,000	15.00	6,960,000	15.00	7,305,000	15.00
Delaware.....	1,155,000	15.00	1,215,000	15.00	1,290,000	15.00
Florida.....	19,120,968	20.65	23,494,752	23.52	28,120,464	26.23
Georgia.....	22,014,247	26.05	25,488,608	29.67	28,859,731	33.10
Hawaii.....	3,121,256	22.95	3,711,812	26.14	4,285,832	29.16
Idaho.....	3,760,723	24.91	4,339,997	28.37	4,872,393	31.64
Illinois.....	23,310,000	15.00	24,060,000	15.00	24,780,000	15.00
Indiana.....	16,956,529	18.51	19,671,096	21.08	22,317,020	23.52
Iowa.....	11,280,457	21.20	13,016,980	24.15	14,680,475	26.94
Kansas.....	9,445,918	21.97	11,033,685	25.02	12,613,723	27.91
Kentucky.....	14,583,887	24.97	16,638,833	28.44	18,558,615	31.72
Louisiana.....	15,034,329	23.56	17,525,995	26.84	19,997,176	29.94
Maine.....	4,125,926	22.30	4,750,050	25.40	5,326,446	28.33
Maryland.....	8,976,670	16.09	10,773,691	18.32	12,629,855	20.44
Massachusetts.....	11,790,000	15.00	12,090,000	15.00	13,273,515	16.09
Michigan.....	27,070,253	17.67	32,079,528	20.13	37,150,155	22.45
Minnesota.....	13,662,937	20.28	15,270,830	23.10	17,445,053	25.77
Mississippi.....	14,687,634	29.67	16,255,415	33.80	17,565,544	37.60
Missouri.....	12,246,808	17.03	14,064,931	19.40	15,795,929	21.64
Montana.....	2,919,012	20.85	3,419,626	23.75	3,920,101	26.49
Nebraska.....	5,321,259	20.00	6,129,038	22.78	6,912,416	25.41

TABLE 3.—*Estimated allotments to States under the proposed administration School Assistance Act of 1961—Continued*

States	Fiscal year 1962		Fiscal year 1963		Fiscal year 1964	
	Amount per State	Amount per pupil in average daily attendance in public schools	Amount per State	Amount per pupil in average daily attendance in public schools	Amount per State	Amount per pupil in average daily attendance in public schools
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Nevada.....	\$952,274	\$15.87	\$1,174,979	\$18.08	\$1,411,359	\$20.16
New Hampshire.....	1,734,218	17.70	2,035,633	20.15	2,337,963	22.48
New Jersey.....	14,400,000	15.00	14,985,000	15.00	15,555,000	15.00
New Mexico.....	5,275,194	24.88	6,263,277	28.34	7,302,037	31.61
New York.....	37,650,000	15.00	38,715,000	15.00	39,735,000	15.00
North Carolina.....	27,905,485	27.25	32,093,440	31.04	36,142,562	34.62
North Dakota.....	3,100,067	24.60	3,558,869	28.02	3,969,490	31.26
Ohio.....	28,735,988	16.30	33,879,936	18.56	39,031,368	20.71
Oklahoma.....	11,951,838	24.39	13,723,715	27.78	15,400,110	30.99
Oregon.....	7,095,843	20.10	8,356,592	22.89	9,601,681	25.54
Pennsylvania.....	26,880,000	15.00	30,986,280	17.06	34,942,097	19.03
Rhode Island.....	1,800,000	15.00	1,845,000	15.00	1,974,787	15.67
South Carolina.....	15,228,456	28.25	17,537,616	32.18	19,776,441	35.89
South Dakota.....	3,262,057	23.81	3,796,681	27.12	4,295,246	30.25
Tennessee.....	19,542,885	26.13	22,526,242	29.76	25,390,845	33.19
Texas.....	40,262,707	21.40	47,368,850	24.38	54,438,623	27.19
Utah.....	5,778,627	25.34	6,725,922	28.87	7,682,943	32.26
Vermont.....	1,459,990	21.16	1,638,770	24.10	1,827,851	26.88
Virginia.....	17,846,093	22.88	20,821,009	26.06	23,746,498	29.07
Washington.....	11,408,373	19.67	13,486,454	22.40	15,567,293	24.99
West Virginia.....	10,658,865	25.56	12,110,817	29.11	13,443,253	32.47
Wisconsin.....	11,615,012	17.63	13,630,448	20.07	15,650,932	22.39
Wyoming.....	1,541,357	21.11	1,803,631	24.05	2,065,380	26.82
District of Columbia.....	1,620,000	15.00	1,620,000	15.00	1,635,000	15.00
Guam.....	363,080	27.93	445,341	31.81	567,685	35.48
Puerto Rico.....	14,243,895	27.93	17,050,201	31.81	19,904,454	35.48
Virgin Islands.....	167,575	27.93	190,860	31.81	212,882	35.48

Secretary RIBICOFF. While the method of allocating funds among the States is relative to the State income per public school pupil, we have provided that no State shall receive less than \$15 per public school pupil in average daily attendance in the public elementary and secondary schools of the State. Under these provisions, nine States and the District of Columbia would receive during the first year of the program the minimum of \$15 per public school pupil in average daily attendance, while Mississippi, the State with the lowest ratio of income to its number of public school pupils, would receive \$29.67. In the subsequent 2 years, a number of States receiving the minimum of \$15 in the first year would receive additional amounts as indicated in these tables we have filed while Mississippi would receive \$33.80 in the second year of the program and \$37.69 in the third year of the program.

The amount of funds authorized to be utilized by the States for special projects would be approximately \$66 million for each of the 3 years of the program.

#### MAINTENANCE OF STATE EFFORT

The aim of our proposal is not to supplant State and local responsibility and effort for the support of public education by substituting Federal support therefor. The bill therefore guards against lessening of State and local effort in behalf of public elementary and secondary education. It does so by the provisions of section 106, which

would operate to reduce after the first year of the program the allotment of any State which fails to maintain a level of effort commensurate with its own record during the immediately preceding 3 fiscal years.

Moreover, in order to stimulate additional effort on the part of States which are exerting less than the national average effort, such States would be required in the second and third fiscal years of the program to increase their efforts on behalf of the public schools. The percentage increase required would be the same as the percentage by which the national effort increased each year over the 5-year period, 1956-61. However, this requirement does not apply to any State which expends for each public school pupil an amount which exceeds the national average expenditure by 10 percent.

While these reductions would be cumulative in case both provisions apply to a State in a year, the aggregate reduction could not exceed one-third of the State's allotment for the year.

#### AID TO STATE DEPARTMENTS OF EDUCATION

It has been our experience in the administration of educational and other grant-in-aid programs aimed to assist the States and local communities, that accomplishment of the objectives of the programs depends upon efficient and economical administration of the programs in each State by the responsible State agencies. Provisions are made in the National Vocational Educational Acts, now almost 45 years old, and in the National Defense Education Act, now in its third year, to provide Federal financial assistance to State departments of education. The Federal Government also assists State agencies in meeting their costs of administering many other Federal-State programs. So, under S. 1021 each State participating in the program will be authorized to use up to 10 cents per public school pupil to assist in the administration of the program with the exception that no State may use more than \$150,000, nor less than \$25,000 of their total allotment.

In order to participate in the program, the States would be asked to submit an application to the Commissioner of Education, specifying at the beginning of each year the portion of the grants received which would be used for teachers' salaries and the portion to be used for school construction, and setting forth the criteria, based on relative need, which would be used to distribute the Federal grants, including the special project grants, to local educational agencies within the State.

#### AMENDMENTS TO FEDERAL IMPACTED AREAS LEGISLATION

Titles II and III of S. 1021 embody President Kennedy's recommendations for continued assistance to school districts in areas of Federal impact. Title II amends Public Law 874 which authorizes financial assistance to school districts for current operating expenses. Title III amends Public Law 815 which authorizes assistance for the construction of school facilities.

The amendments we are proposing to Public Laws 815 and 874 would make permanent certain provisions which expire on June 30, 1961, and would bring these laws more nearly into line with the underlying justification for the Federal payments to school districts which

both laws authorize; that is, fair compensation to them for substantial educational burdens imposed by the presence in the vicinity of tax-exempt Federal property.

The following four amendments are the most significant :

1. The draft bill would make permanent the payments in behalf of children whose parents are employed on, but do not live on, tax-exempt Federal property (or are employed on private property but live on Federal property). The bill would, however, reduce the Federal payment per child under Public Law 874 from the present 50 percent of the district's local contribution rate to 25 percent of that rate. It would also reduce the rate of payment under Public Law 815 from 50 percent of the State average per pupil construction costs to 25 percent of such costs.

2. The bill would amend Public Law 874 to require that school districts, in order to be eligible for Federal payments on account of the category of children to which I have just referred, must have in the school year 1961-62 at least 4 percent of their current year's average daily attendance consisting of such children. In the school year 1962-63, the rate would rise to 5 percent, while in the school year 1963-64 and thereafter the required minimum would be 6 percent.

3. The provisions of Public Law 874, authorizing as an alternative local contribution rate, one-half the national average expenditure per public school child, would be eliminated.

4. The draft bill would repeal categories of Federal payments under both Public Law 815 and Public Law 874 which are not based on the school attendance of children whose parents live or work on Federal property.

A summary explanation of these amendments was transmitted to the Congress by the President under date of February 27, 1961. With your permission, Mr. Chairman, I request that this explanation be inserted in the record at this point.

Senator MORSE (presiding). It will be inserted.

(The summary explanation referred to follows:)

**SUMMARY OF PROPOSED AMENDMENTS TO FEDERAL IMPACT AREA LAWS,  
FEBRUARY 27, 1961**

Amendments to Public Laws 815 and 874, 81st Congress made by titles II and III of the draft bill to achieve the general objective of limiting these laws more closely to payments in the nature of payments-in-lieu-of-taxes, are—

1. Section 201 of the draft bill would extend on a permanent basis section 2 of Public Law 874, which expires June 30, 1961. This section provides for payments in the nature of payments-in-lieu-of-taxes to school districts which have lost 10 percent or more of their real property tax base as a result of Federal acquisitions since 1938.

2. Sections 202 and 301 of the draft bill would amend Public Laws 874 and 815, respectively, to make permanent—as is already the case with respect to children of persons who both work and live on Federal property—the Federal payments authorized to be made to school districts to help them pay the local share of the cost of providing free public education to children whose parents are employed on tax-exempt Federal property but live in taxable houses (or who live on Federal property but work on taxable property). The bill would however, reduce the Federal payment per child under Public Law 874 from the present 50 percent of the district's local contribution rate, to 25 percent of such local contribution rate. It would also make a corresponding reduction in Federal payments under Public Law 815 for public school enrollment increases in the number of such children, by reducing the Federal payment per child from 50 percent of the State average per pupil construction costs as at present to 25 percent of such costs.

Existing law proceeds on the assumption that one-half of the local revenues for public school purposes is derived from local real property taxes on residential property, and the other half derived from taxes on commercial and industrial property; on the basis of this assumption, both laws now provide for a Federal payment of one-half of the entire educational costs met out of local revenues in the case of children whose parents live in taxable private homes but work on Federal property (presumably classifiable as industrial or commercial property) or live on Federal property but work on taxable property.

Available data on the source of real property taxation do not support this assumption. The report of a study of property tax assessments in the United States made by the Governments Division, Census Bureau, dated December 16, 1957, indicates, instead, that, on the basis of nationwide averages, only 27.7 percent of the value of locally assessed taxable real property is commercial and industrial property. The highest percentage of such property value in any State is 37.1 percent while the lowest is 9.3 percent. The same Census Bureau figures indicate that 54.1 percent of the value of locally assessed taxable real property is residential property, and the balance (18.2 percent) is acreage and farm property, vacant lots, and other types of real property. Although this ratio in the United States is 27.7 percent, the ratio recommended in the draft bill is 25 percent. The lower figure is believed to be supportable in view of the fact that many school districts eligible for Federal payments under Public Laws 815 and 874 will be suburban communities, and the likelihood that in such communities the proportion of local real property revenues derived from taxes on industrial and commercial property will be somewhat less than the proportion prevailing for all the school districts in the Nation, or in each State, averaged and taken as a whole, as in the Census Bureau figures.

3. Section 203 of the draft bill would amend section 3(c) of Public Law 874 to require that school districts, in order to be eligible for Federal payments on account of children who either reside on Federal property or reside with a parent employed on Federal property, must have in the school year 1961-62 at least 4 percent of their current year's total average daily attendance consisting of such children (instead of 3 percent as at present). In the school year 1962-63 the required minimum percentage would rise to 5 percent, and in the school year 1963-64 and thereafter the required minimum would be 6 percent.

In view of the substantial economic advantages that inure to most of these communities by the presence nearby of Federal activities, the fact that most such communities have had ample time to adjust their school tax structures to compensate for insubstantial school enrollments of these children, and the proposed availability of general Federal aid to States under title I, we believe that payments under Public Law 874 to school districts with less than 6 percent of their school enrollments composed of this category of children can no longer be justified on a payment-in-lieu-of-tax theory.

Also, section 203 of the draft bill would repeal the provision of Public Law 874 which specifies that Federal payments to a school district which is eligible in any year will continue for the 2 subsequent years even though the school district fails in the subsequent years to meet the eligibility requirements of the act. Since the eligibility conditions of the act are presumed to reflect a minimum recognizable financial burden or tax deprivation by reason of the tax-exempt status of Federal property, school districts which fail to meet these requirements in any year should not be eligible for payments merely because such districts may have been eligible in some preceding year.

4. Section 204 of the draft bill would eliminate the provisions authorizing, as an alternative local contribution rate, one-half of the national average cost per child.

When Public Law 874 was originally enacted, it provided that the local contribution rate (the rate of payment per child) was to be the current operating expenses per child met from local revenue sources in the second preceding year in the most nearly comparable school districts in the same State.

By amendment in 1953, a minimum local contribution rate was authorized, which was one-half of the State average cost per child in average daily attendance the second preceding year, and school districts could then in effect choose either of the two methods (comparable districts or one-half the State average) as its local contribution rate.

In 1958 Congress provided for still another alternative minimum rate, which is one-half of the national average cost per child in average daily attendance in the entire United States in the second preceding year, not to exceed the



average cost per pupil in the State. This provision, which is still in effect, would be eliminated by the draft bill because it bears no reasonable relation to the portion of educational costs met out of local real property taxes in the particular school district in which tax-exempt Federal property is located. Under it, in fact, some applicant districts are paid the entire cost per child during the year, rather than the local share of the cost. This provision is actually designed to more nearly equalize education in some of the Nation's school districts, rather than to compensate them for a financial burden imposed by the tax immunity of Federal activities, as Public Law 874 is intended to do. To the extent that greater equalization of educational opportunity is a desired Federal objective—and it is—it is properly achieved through the general Federal aid program in title I of the bill.

Also, section 204 of the draft bill would amend Public Law 874 to provide that, for the purpose of determining the local contribution rate, the Commissioner, in consultation with the State education agency, shall classify school districts in each State into one or more groups in which the districts would be generally comparable to each other. The local contribution rate for any applicant district would be the average expenditures per child for current operating expenses from local revenue sources in all districts in each group. This change would be made in order to facilitate administration of Public Law 874.

5. Section 205 of the draft bill proposes to eliminate subsection (f) of section 3 of Public Law 874 which now authorizes the Commissioner to make a supplementary payment to a school district which made preparation to provide education for a substantial number of children who are expected to enroll in the school district because of an expected expansion of Federal activities, but who do not enroll because the expanded Federal activities fail to materialize. Here, again, the hardship is not caused by the tax immunity of Federal property.

6. Sections 206 and 302 of the draft bill would repeal categories of Federal payments not based on the school attendance of children whose parents live or work on Federal property. Both laws now provide (sec. 5(a)(3) of Public Law 815 and sec. 4 of Public Law 874) for Federal payments to a school district on account of increases in the number of children whose parents move into the school district to work for Federal contractors in taxable enterprises. Such payments must be justified, if at all, on some basis other than any direct or indirect loss of revenues resulting from the tax immunity of federally owned property; in such situations the property where the parents of the children live and work is fully taxable, and, in fact, the Federal contracts of the employing enterprises generate other revenues to many school districts.

Such burdens as affected communities may experience from sudden and substantial public school enrollment increases occasioned by increased Federal contract activity in the area, do not stem from the tax immunity of Federal property and do not differ from the burdens imposed on school districts by the advent of large private industries not connected with the Federal Government or by other situations resulting in sudden and substantial school enrollment increases. The States can and should make provision for assistance to local school districts to alleviate hardship in such situations and general Federal assistance under title I of the draft bill would be available to the States to help the districts meet any additional teachers' salary or school construction needs in such situations.

7. Sections 207 and 304 of the draft bill would amend the definition of Federal property (sec. 9(1) of Public Law 874 and sec. 15(1) of Public Law 815) to exclude any school which is providing flight training to members of the Air Force under contract with the Department of the Air Force at a State or municipally owned airport. The inclusion of these schools as Federal property is unjustified since the schools are not Federal property, and their tax-exempt status is not due to any Federal tax immunity.

8. Section 208 of the draft bill provides authority in Public Law 874 to require that federally connected membership counted for payment shall be determined on the basis of two pupil-parent surveys made each year, one in the fall and one in the spring, and the ratio of federally connected children to total number of children shown by these two counts applied to total average attendance in the school district at the end of the school year to determine average daily attendance of federally connected children for which payment is made. This change would simplify, and make more objective and uniform, the determinations of average daily attendances under the law.

9. Section 303 of the draft bill would eliminate section 8 of Public Law 815 which presently authorizes additional payments to a school district of an

amount sufficient to finance an approved construction project to house a federally connected enrollment increase, if without such additional payments the school district would be unable to construct the project. Consistent with the in-lieu-of-tax payment rationale, the Federal Government has fully discharged its equitable obligation when the formula payment authorized by the law has been made on account of recognized categories of children connected with tax-exempt Federal property.

10. Section 305 of the draft bill proposes to determine the State average cost of constructing school facilities for purposes of determining rates of payments under Public Law 815 by computing the basic contract cost per square foot for all school facilities constructed in the State in the base year and multiplying this square-foot cost by a factor of 95. Experience over the last 10 years in the operation of this program has shown that a factor of 95 times the square-foot cost fairly represents the cost per child for minimum school facilities, including architects' fees, equipment, site improvement, and administrative items.

11. Section 306 of the draft bill would extend section 14 of Public Law 815 for 5 additional years with an increased authorization for appropriation. Section 14 was added to Public Law 815 in 1953 to meet the unusual circumstances in school districts which have large numbers of "unhoused" schoolchildren living on tax-exempt Indian lands and which would not meet the enrollment increase eligibility requirements under other provisions of the act. An expenditure limitation of \$20 million under this section was first authorized and was later raised to \$40 million. The draft bill proposes to extend this section until June 30, 1966, and increase the authorization from \$40 million to \$60 million to meet a continuing need of approximately \$3 million a year for facilities for Indian children living on Indian lands. In addition, the draft bill would limit this section to children living on tax-exempt Indian lands, in order to prevent application of the more liberal financing provisions of this section to any school district having children living on Federal property (other than Indian lands), but who are unable to meet the increased requirements for eligibility under the other sections of the act.

12. Section 307 of the draft bill would amend section 10 of Public Law 815 relating to Puerto Rico, the Virgin Islands, Wake Island, and Guam. In 1953, section 6 of Public Law 874, which directs the Commissioner to provide free public education for children living on Federal property when suitable free public education could not otherwise be provided for them, was amended to authorize attendance in schools constructed on Federal property of children of parents employed by the United States stationed in Puerto Rico, the Virgin Islands, Wake Island, and Guam when the Commissioner determined after consultation that no suitable education otherwise was available for such children. At that time, section 10 of Public Law 815 (which is the companion provision to sec. 6 of Public Law 874 and which relates to construction of school facilities for children living on Federal property) was not amended to permit construction on-base of additional school facilities for these off-base children because it was assumed that the number of such off-base children seeking admission to on-base schools would not be sufficient to require any change in Public Law 815. Experience has indicated that this assumption was incorrect. A number of Federal agencies have indicated that they will find it extremely difficult to recruit and hold qualified personnel in Puerto Rico if the children of these Federal employees are not able to attend the on-base school facilities. The draft bill proposes to amend section 10 of Public Law 815 to permit the Commissioner to construct school facilities on Federal property for the children of Federal employees living off Federal property in Puerto Rico, the Virgin Islands, Wake Island, and Guam who cannot otherwise receive suitable free public education.

13. Section 308 would make a technical amendment in the judicial review provision of Public Law 815 (sec. 11(b)) in order to make applicable the provisions of Public Law 85-791 relating to the procedure and records on the review of enforcement of orders of administrative agencies by courts of appeal.

Secretary RIBICOFF. In addition, we would like to insert at the same point the State-by-State table showing the distribution of funds under the two acts as proposed to be amended.

Senator MORSE. The tables will follow the statement of the President.

(The tables referred to follow:)

TABLE 4.—*Summary of Public Law 874 estimated entitlements, by State, under existing law and proposed amendments*

State or territory	Fiscal year 1961 under existing law	Fiscal year 1962 without extension or amendment	Fiscal year 1962 proposed extension and amendment	Fiscal year 1962 cost of proposed amendment
Total .....	\$217, 300, 000	\$85, 700, 000	\$158, 000, 000	\$72, 300, 000
Alabama.....	4, 686, 680	862, 031	1, 677, 340	815, 309
Alaska.....	7, 032, 000	7, 129, 972	7, 577, 800	447, 828
Arizona.....	4, 725, 504	3, 485, 320	4, 287, 920	802, 600
Arkansas.....	985, 652	527, 363	601, 870	74, 507
California.....	37, 423, 832	12, 131, 127	26, 197, 590	14, 066, 463
Colorado.....	5, 769, 756	1, 889, 442	3, 929, 440	2, 039, 998
Connecticut.....	1, 893, 952	591, 350	1, 141, 480	550, 130
Delaware.....	830, 260	680, 000	852, 990	172, 990
Florida.....	6, 708, 552	2, 212, 916	4, 338, 840	2, 125, 924
Georgia.....	6, 811, 224	2, 024, 557	3, 496, 350	1, 471, 793
Hawaii.....	4, 580, 176	2, 932, 078	3, 933, 740	1, 001, 662
Idaho.....	1, 556, 416	837, 029	1, 272, 680	435, 651
Illinois.....	3, 373, 028	2, 227, 758	3, 158, 600	930, 842
Indiana.....	948, 148	444, 534	632, 890	188, 356
Iowa.....	740, 704	152, 185	493, 390	341, 205
Kansas.....	4, 943, 496	1, 896, 752	3, 801, 900	1, 905, 148
Kentucky.....	3, 976, 500	3, 020, 000	3, 934, 070	914, 070
Louisiana.....	936, 428	354, 029	702, 150	348, 121
Maine.....	1, 697, 884	959, 948	1, 498, 800	538, 852
Maryland.....	8, 459, 496	1, 534, 837	5, 267, 500	3, 732, 663
Massachusetts.....	6, 168, 440	1, 354, 661	4, 501, 320	3, 146, 659
Michigan.....	1, 338, 476	534, 371	981, 850	447, 479
Minnesota.....	439, 500	473, 153	541, 470	68, 317
Mississippi.....	1, 522, 428	384, 827	509, 500	124, 673
Missouri.....	2, 419, 008	687, 702	1, 713, 960	1, 026, 258
Montana.....	1, 596, 264	1, 600, 868	1, 739, 330	138, 462
Nebraska.....	1, 936, 144	847, 464	1, 558, 700	711, 236
Nevada.....	1, 429, 840	1, 166, 511	1, 309, 480	142, 969
New Hampshire.....	1, 227, 084	606, 029	979, 940	373, 911
New Jersey.....	3, 852, 780	1, 378, 743	2, 873, 490	1, 494, 747
New Mexico.....	4, 723, 160	2, 940, 512	4, 425, 460	1, 484, 948
New York.....	5, 342, 324	1, 882, 053	4, 030, 980	2, 148, 927
North Carolina.....	4, 779, 276	3, 536, 849	3, 989, 640	452, 791
North Dakota.....	384, 416	345, 136	421, 260	76, 124
Ohio.....	5, 036, 084	370, 559	3, 023, 680	2, 653, 121
Oklahoma.....	7, 494, 940	2, 356, 401	5, 597, 770	3, 241, 369
Oregon.....	941, 740	346, 109	678, 960	332, 851
Pennsylvania.....	5, 055, 900	695, 417	3, 454, 550	2, 759, 133
Rhode Island.....	1, 813, 064	732, 114	1, 417, 000	684, 886
South Carolina.....	3, 500, 316	949, 400	1, 533, 400	584, 000
South Dakota.....	1, 969, 288	1, 401, 840	1, 898, 690	496, 850
Tennessee.....	2, 186, 952	278, 499	800, 200	521, 701
Texas.....	12, 565, 012	3, 997, 705	8, 885, 200	4, 887, 495
Utah.....	1, 869, 340	356, 040	1, 081, 580	725, 540
Vermont.....	105, 480	53, 584	66, 870	13, 286
Virginia.....	17, 111, 092	3, 990, 480	10, 718, 950	6, 728, 470
Washington.....	8, 332, 920	2, 883, 414	6, 383, 520	3, 500, 106
West Virginia.....	128, 900	6, 913	51, 720	44, 807
Wisconsin.....	614, 128	314, 665	551, 980	237, 315
Wyoming.....	748, 908	690, 608	720, 920	30, 312
Guam.....	772, 348	574, 163	677, 000	102, 837
Puerto Rico.....	1, 670, 000	1, 930, 000	1, 930, 000	-----
Virgin Islands.....	52, 740	34, 982	49, 290	14, 308
Wake Island.....	92, 000	105, 000	105, 000	-----

TABLE 5.—*Summary of Public Law 815 estimated entitlements, by State, under existing law and proposed amendments*

State or territory	Fiscal year 1961 under existing law	Fiscal year 1962 without extension or amendment	Fiscal year 1962 proposed extension and amendment	Fiscal year 1962 cost of proposed amendment
Total.....	\$63,392,000	\$24,850,000	\$45,030,000	\$20,180,000
Alabama.....	500,000	433,600	1,128,400	694,800
Alaska.....	4,317,000	2,272,100	2,336,000	63,900
Arizona.....	1,273,380	517,000	1,420,900	903,900
Arkansas.....	884,700	329,500	401,500	72,000
California.....	20,274,474	3,508,000	7,692,500	4,184,500
Colorado.....	1,087,000	186,300	366,100	179,800
Connecticut.....	775,000	-----	172,500	172,500
Delaware.....	380,000	-----	-----	-----
Florida.....	1,010,000	195,000	393,300	198,300
Georgia.....	1,352,000	451,000	655,600	204,600
Hawaii.....	1,395,000	336,300	336,300	-----
Idaho.....	246,000	204,000	321,300	117,300
Illinois.....	49,000	52,500	71,500	19,000
Indiana.....	730,000	307,000	307,000	-----
Iowa.....	98,000	164,800	244,600	79,800
Kansas.....	443,000	1,289,000	1,593,300	304,300
Kentucky.....	131,000	750,000	854,800	104,800
Louisiana.....	295,000	-----	-----	-----
Maine.....	417,000	816,800	1,011,900	195,100
Maryland.....	1,795,000	103,600	1,453,300	1,349,700
Massachusetts.....	1,176,000	839,900	992,200	152,300
Michigan.....	1,230,000	1,442,500	1,560,400	177,900
Minnesota.....	197,000	-----	14,800	14,800
Mississippi.....	670,000	330,200	726,500	396,300
Missouri.....	945,000	1,083,000	1,338,600	225,600
Montana.....	915,000	639,600	781,800	142,200
Nebraska.....	675,000	455,300	552,200	96,900
Nevada.....	724,000	123,100	231,400	108,300
New Hampshire.....	246,000	224,600	290,400	65,800
New Jersey.....	959,000	315,400	639,900	324,500
New Mexico.....	2,705,000	330,200	3,186,500	2,856,300
New York.....	1,133,300	538,300	854,500	316,200
North Carolina.....	639,000	654,300	952,000	297,700
North Dakota.....	704,000	500,300	561,500	61,200
Ohio.....	1,290,000	246,100	510,200	264,100
Oklahoma.....	1,517,000	863,800	1,398,600	534,800
Oregon.....	384,000	206,700	271,300	664,600
Pennsylvania.....	-----	-----	-----	-----
Rhode Island.....	98,000	45,000	131,200	86,200
South Carolina.....	935,000	336,100	661,700	325,600
South Dakota.....	553,000	353,100	612,300	259,200
Tennessee.....	201,000	32,900	171,900	139,000
Texas.....	2,309,000	1,039,700	2,354,700	1,315,000
Utah.....	908,046	60,500	201,200	140,700
Vermont.....	-----	-----	-----	-----
Virginia.....	2,020,000	567,400	1,675,700	1,108,300
Washington.....	944,000	670,200	1,164,400	494,200
West Virginia.....	-----	-----	-----	-----
Wisconsin.....	291,000	-----	15,400	15,400
Wyoming.....	148,000	30,300	105,800	75,500
Guam.....	-----	-----	1,192,100	1,192,100
Puerto Rico.....	491,800	195,000	195,000	-----
Virgin Islands.....	-----	-----	-----	-----
Wake Island.....	-----	-----	-----	-----
Technical services.....	931,300	810,000	925,000	115,000

Secretary RIBICOFF. Mr. Chairman and members of the committee, I urge that the Congress proceed to early passage of this proposed legislation. President Kennedy has said of this bill in his message:

This investment will pay rich dividends in the years ahead—in increased economic growth, in enlightened citizens, in national excellence. For some 40 years, the Congress has wrestled with this problem and search for a workable solution. I believe that we now have such a solution; and that this Congress in this year will make a landmark contribution to American education.

\* \* \* The Federal Government's responsibility in this area has been established since the earliest days of the Republic—it is time now to act decisively to fulfill that responsibility for the sixties.

Thank you very much.

Senator MORSE. Mr. Secretary, I want to thank you for this very helpful statement. I am sorry it was necessary for me to be out of the room when you came to the witness chair so I did not have the privilege of welcoming you personally, but I want to thank my colleague from Alabama for doing it for me and for himself and for the subcommittee.

I also want to take a moment to thank you on the public record for the great assistance which you and your associates have been to those of us who have tried to prepare ourselves for the introduction of this bill in the Senate. The three conferences which we had in your office with you and your associates to clarify many of our questions were, in my judgment, mutually helpful.

There are many questions for clarification purposes which I think need yet to be answered, but they can be answered by others as well as by yourself. Therefore, I shall not take the time now, to ask these questions, but instead I will call upon my colleagues for any questions they wish to ask. Senator Hill.

Senator HILL. Mr. Chairman, first I would certainly commend the Secretary for his most informative and very challenging and very fine statement.

Mr. Secretary, could you have these charts, School Expenditures for Pupils and Income Per Pupil by States, reduced in such a way we could put them in our record?

Secretary RIBICOFF. I certainly will, Senator Hill.

Senator HILL. Then I ask that they be printed in the record.

(The charts follow :)

TABLE 6

***SCHOOL EXPENDITURES PER PUPIL\****

New Jersey	\$ 692.64
New York	\$ 681.15
Alaska	\$ 676.47
Delaware	\$ 643.84
California	\$ 636.03
Arizona	\$ 624.03
Illinois	\$ 598.40
Wisconsin	\$ 587.13
Washington	\$ 583.34
Wyoming	\$ 583.33
Nevada	\$ 581.82
Minnesota	\$ 559.81
Michigan	\$ 550.98
Connecticut	\$ 538.82
Ohio	\$ 535.14
Maryland	\$ 529.96
Colorado	\$ 520.35
Oregon	\$ 507.25
Kansas	\$ 505.91
Louisiana	\$ 504.04
Montana	\$ 496.30
Texas	\$ 474.50
Iowa	\$ 473.28
Utah	\$ 467.59
Indiana	\$ 459.55
Rhode Island	\$ 449.15
Massachusetts	\$ 438.25
Pennsylvania	\$ 432.06
North Dakota	\$ 432.00
New Hampshire	\$ 421.05
Missouri	
Nebraska	
Florida	
South Dakota	
New Mexico	
Hawaii	
Oklahoma	
Idaho	
Maine	
Vermont	
Dist of Col.	\$ 339.62
Virginia	\$ 335.55
North Carolina	\$ 295.11
Mississippi	\$ 290.12
West Virginia	\$ 285.04
Alabama	\$ 277.86
Tennessee	\$ 264.95
Arkansas	\$ 251.34
Kentucky	\$ 250.88
Georgia	\$ 242.39
South Carolina	\$ 235.40
NATIONAL AVERAGE	\$ 484.00

\* Estimated 1959-60 expenditures for public elementary and secondary schools, per pupil in average daily attendance

TABLE 7

*PERSONAL INCOME PER PUPIL\**

Dist. of Col.	\$26,849
New York	\$18,445
Delaware	\$16,000
Illinois	\$17,110
New Jersey	\$16,698
Massachusetts	\$16,441
Alaska	\$16,355
Connecticut	\$16,245
Rhode Island	\$15,565
Pennsylvania	\$14,050
California	\$13,732
Nevada	\$13,673
Maryland	\$13,311
Ohio	\$13,201
Missouri	\$13,118
Wisconsin	\$12,904
New Hampshire	\$12,882
Michigan	\$11,812
Washington	\$11,611
Oregon	\$11,178
Indiana	\$10,912
Colorado	\$10,863
Nebraska	\$10,758
Florida	\$10,648
Minnesota	\$10,622
Vermont	\$10,358
Iowa	\$10,302
Kansas	\$10,019
Texas	\$10,001
Wyoming	\$ 9,819
Hawaii	
Missouri	
Maine	
Virginia	
Arizona	
Oklahoma	
Louisiana	
New Mexico	
Idaho	
Kentucky	
North Dakota	\$ 7,776
South Dakota	\$ 7,556
Utah	\$ 7,528
Georgia	\$ 7,467
Tennessee	\$ 7,445
West Virginia	\$ 7,255
N. Carolina	\$ 6,751
Alabama	\$ 6,438
Arkansas	\$ 6,337
S. Carolina	\$ 5,254
Mississippi	\$ 5,000
NATIONAL AVERAGE	\$11,000

\* Total personal income, 1959, per pupil in average daily attendance in public elementary and secondary schools, 1959-60



Senator HILL. Mr. Secretary, I was very much interested in all you had to say about the pilot and demonstration programs. As I understand this bill, those programs will be carried out entirely by the States, is that not true?

Secretary RIBICOFF. That is correct, sir.

#### EQUALIZATION PROVISIONS

Senator HILL. You were here when Senator Fulbright testified and you undoubtedly heard me raise the question about the equalization provisions in this bill. You spoke about the formula in this bill in relation to the formula we had in 1958 which passed at the last session. As I understand the bill as now written, as I interpret the language, if Congress did not see fit to appropriate the full amount of money you might not get an equalization feature. Is that right?

Secretary RIBICOFF. Well, if they did not appropriate the full amount of money the equalization certainly would be contracted.

Senator HILL. If Congress just appropriated the amount of money that would provide the \$15 figure per pupil for each State there would be no equalization at all?

Secretary RIBICOFF. Well, I would say in all frankness to you, Senator Hill, that in trying to figure out the entire formula with the \$15 minimum we did take into account the total amount authorized. I would imagine that if the amount were smaller than \$666 million for the first year, we might have set a minimum lower than \$15, and if this presents a problem to the subcommittee I am sure that our staff together with the subcommittee could work out such language to make sure that the equalization formula was protected by taking into account an adjustment of the minimum.

Senator HILL. As you well know, Mr. Secretary, having served in the House, very often the full authorization is not appropriated. We find that from time to time when we get into the appropriations we not only have the question before Congress, but we have a question of the budget. So I think it might be well if we sat down with some members of your staff and started to work this matter out specifically to make sure that we do have the equalization feature which I know you do favor and on which you have made your position very clear.

Secretary RIBICOFF. Our staff will be available at your call.

Senator HILL. Well, thank you very much, Mr. Secretary.

#### LOANS TO PRIVATE SCHOOLS

Senator MORSE. Mr. Secretary, while it is on my mind, I would like to make a request of the administration through your office. I think you well know that there will probably be introduced an amendment to this bill which would seek to provide interest-bearing loans to private schools. We, undoubtedly, will devote a considerable amount of time in these hearings in the discussion of such an amendment. The Chair yesterday was notified by two of his colleagues in the Senate that they are preparing such an amendment, and that such an amendment will be introduced. I was asked to make arrangements for some time in these hearings for them to testify in order to present their own views in regard to the amendment.

I may say, incidentally, that I urged them not to introduce the amendment for the very reasons I set forth in my speech on the floor of the Senate when I introduced the administration bill. I feel that the proper thing to do this year is to get the principle of Federal aid to education established as a matter of law in this country for the trial period for which the President asks. This 3-year trial period, in and of itself, requires periodic review on the part of the Congress during its course before the final decision is made upon the adoption of permanent legislation.

#### REQUESTS FOR ADMINISTRATION VIEWS

But in view of the fact that I am giving you due notice that such an amendment is going to be offered, I would like to ask the administration, through your office, to prepare a brief for this committee setting forth the position of the administration on the constitutional questions and other legal questions raised by such an amendment.

Senator JAVITS. Would the Senator yield at that point?

Senator MORSE. Yes.

Senator JAVITS. I was going to question the witness on that, and could I add to the chairman's request a consideration by the administration of this question? The Supreme Court has decided that in some cases like bus transportation, schoolbooks, a State may without violating constitutional principles give aid to private or parochial schools. Would the Department, therefore, let us have the administration's views upon the fundamental proposition, of course, as requested by the chairman, but also upon this added question whether any accommodation should be given for that kind of aid to the private and parochial schools which is allowable without violating constitutional prohibitions under the Supreme Court decisions? Thank you very much.

Senator MORSE. I want to thank Senator Javits. This was the second question. I am very glad to have it come from him. I would like to have a brief prepared for consideration of this committee setting forth the administration's position concerning any form of aid to private schools. Third, I would like to have the administration submit a brief setting forth its position on the question of constitutionality of Federal aid to education per se.

(The material referred to follows:)

THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE,  
Washington, March 28, 1961.

HON. WAYNE MORSE,  
Chairman, Subcommittee on Education,  
Committee on Labor and Public Welfare,  
U.S. Senate, Washington, D.C.

DEAR SENATOR MORSE: On the opening day of the hearings on S. 1021 you requested of me memorandums discussing the constitutionality of that bill and the constitutionality of loans to private schools including sectarian institutions, a consideration of governmental actions which might validly provide some incidental benefit to private schools, and a summary of existing Federal legislation which results in the provision of some benefit to sectarian institutions.

I am enclosing herewith memorandums in response to this request. Except for the summary of existing legislation, which was prepared entirely in this Department, these documents have been prepared by our legal staff in consultation with attorneys of the Department of Justice.

Because of the interrelationship of the factors bearing on the constitutionality of loans and the constitutionality of various forms of indirect aid, we have

combined our discussion of these two questions in a single document. We believe that our replies will be more helpful to the committee in this form.

Sincerely,

ABRAHAM RIBICOFF, *Secretary*.

MEMORANDUM ON THE CONSTITUTIONAL AUTHORITY OF THE CONGRESS TO ENACT  
S. 1021

The power of the Congress to enact S. 1021 rests on its constitutional authority to appropriate funds to provide for the general welfare of the United States. The scope of that congressional power has been so broadly defined by decision of the Supreme Court, and the expenditures contemplated by S. 1021 fall so clearly within the power, that there is no need to review the controversy which for a century and a half surrounded the Federal power of expenditure, or to refer to the innumerable Federal expenditures that have been made throughout our history for purposes of the general welfare. It is not amiss to point out, however, that the first Federal grants to the States for the purpose of education antedated the Constitution, and that grants for this purpose have been made from time to time ever since.

The existence of the power of expenditure as a separate power independent of the other enumerated powers of Congress, which had so long been in dispute, was finally affirmed by the Supreme Court in *United States v. Butler* (297 U.S. 1 (1936)); the contrary view, that expenditures could be made only in support of the other congressional powers, was expressly rejected. The Court did not find it necessary in that case to indicate further the scope of the general welfare clause, but clarification was not long delayed. Challenge to the unemployment compensation and old-age insurance provisions of the Social Security Act brought further decisions affirming in the broadest terms the discretion of Congress in determining what expenditures are for the general welfare of the United States.

In *Steward Machine Company v. Davis* (301 U.S. 548 (1937)), the Court said of expenditures for the relief of the unemployed (pp. 586-587):

"The problem had become national in area and dimensions. There was need of help from the Nation if the people were not to starve. It is too late today for the argument to be heard with tolerance that in a crisis so extreme the use of the moneys of the Nation to relieve the unemployed and their dependents is a use for any purpose narrower than the promotion of the general welfare."

In *Helvering v. Davis* (301 U.S. 619 (1937)), the validity of the old-age insurance system was upheld. The Court expounded more fully the meaning of the general welfare clause (pp. 640-641):

"Congress may spend money in aid of the 'general welfare.' Constitution, article I, section 8; *United States v. Butler* (297 U.S. 1, 65); *Steward Machine Co. v. Davis*, *supra*. There have been great statesmen in our history who have stood for other views. We will not resurrect the contest. It is now settled by decision. *United States v. Butler*, *supra*. The conception of the spending power advocated by Hamilton and strongly reinforced by Story has prevailed over that of Madison, which has not been lacking in adherents. Yet difficulties are left when the power is conceded. The line must still be drawn between one welfare and another, between particular and general. Where this shall be placed cannot be known through a formula in advance of the event. There is a middle ground or certainly a penumbra in which discretion is at large. The discretion, however, is not confided to the courts. The discretion belongs to Congress, unless the choice is clearly wrong, a display of arbitrary power, not an exercise of judgment. This is now familiar law. 'When such a contention comes here we naturally require a showing that by no reasonable possibility can the challenged legislation fall within the wide range of discretion permitted to the Congress' (*United States v. Butler*, *supra*, p. 67; cf. *Cincinnati Soap Co. v. United States*, *ante*, p. 308; *United States v. Realty Co.*, 163 U.S. 427, 440; *Head Money* cases, 112 U.S. 580, 595). Nor is the concept of the general welfare static. Needs that were narrow or parochial a century ago may be interwoven in our day with the well-being of the Nation. What is critical or urgent changes with the times."

The Supreme Court has subsequently sustained, as valid exercises of the power to spend for the general welfare, Federal construction of public housing and Federal projects for reclamation and irrigation (*Cleveland v. United States*, 323 U.S. 329 (1945); *United States v. Gerlach Live Stock Company*, 339 U.S. 725 (1950)). In both of these decisions the Court, on the authority

of the social security cases, treated the congressional determination as decisive of the propriety of the expenditures.

The President in his message to Congress on this subject, and the Secretary of Health, Education, and Welfare in his testimony on H. 1021, have presented to Congress convincing reasons for exercise of the national power of expenditures in the manner provided in the bill, in support of public primary and secondary school education throughout the Nation. There is no need to repeat or summarize those reasons here. If the Congress concurs in the judgment which the President and the Secretary have expressed, it cannot be doubted that the Supreme Court would accept that judgment as conclusive.

Since Congress would be exercising a power expressly conferred upon it by the Constitution, no question under the 10th amendment would arise. "The 10th amendment states but a truism that all is retained which has not been surrendered (*United States v. Darby* 312 U.S. 100, 124 (1941)).

The Supreme Court held many years ago that Federal grants-in-aid to the States, though conditioned upon various actions by the States, raise no justiciable issue at suit of a State or of a taxpayer (*Massachusetts v. Mellon*, 292 U.S. 147 (1934)). The Court observed (p. 480):

"Probably, it would be sufficient to point out that the powers of the State are not invaded, since the statute imposes no obligation but simply extends an option which the State is free to accept or reject."

To the same effect is *Oklahoma v. Civil Service Commission* (330 U.S. 127 (1947)).

*United States v. Butler*, supra, has occasionally been cited as though it construed the 10th amendment as a limitation upon powers otherwise granted to Congress. It did not do so. The Court held that the regulatory effect of the expenditures there under consideration, in matters not falling within the powers of Congress, rendered the statute invalid as exceeding the scope of congressional authority. The 10th amendment, said the Court, serves to "forestall any suggestion" that Congress may exercise powers not granted, expressly or by reasonable implication.

Any argument that the *Butler* case construed the 10th amendment as restricting the granted powers was put to rest in the following year, by *Helvering v. Davis*, supra. The lower court had held the old-age insurance system unconstitutional, on the ground that assistance to the aged was a matter reserved to the States at the time the Constitution was adopted, and thus reserved to them by the 10th amendment (*Davis v. Edison Electric Illuminating Co.*, 80 F. 2d 303 (C.C.A., 1st Cir., 1937)). The court likened care of the aged, in this respect, to education.<sup>1</sup>

In reversing the judgment the Supreme Court said (301 U.S., at pp. 644-645): "Counsel for respondent has recalled to us the virtues of self-reliance and frugality. There is a possibility, he says, that aid from a paternal government may sap those sturdy virtues and breed a race of weaklings. If Massachusetts so believes and shapes her laws in that conviction, must her breed of sons be changed, he asks, because some other philosophy of government finds favor in the Halls of Congress? But the answer is not doubtful. One might ask with equal reason whether the system of protective tariffs is to be set aside at will in one State or another whenever local policy prefers the rule of laissez faire. The issue is a closed one. It was fought out long ago. When money is spent to promote the general welfare, the concept of welfare or the opposite is shaped by Congress, not the States. So the concept be not arbitrary, the locality must yield" (Constitution, art. VI, par. 2).<sup>2</sup>

That the 10th amendment does not limit the granted powers has been consistently held by the Court in subsequent cases (*United States v. Darby*, supra; *Oklahoma v. Civil Service Commission*, supra).

It is thus beyond dispute that S. 1021, if enacted by Congress, will be a valid exercise of congressional authority, and that no issue will arise by reason of the 10th amendment.

ALANSON W. WILLCOX,  
General Counsel, Department of Health, Education, and Welfare.

<sup>1</sup> It may be noted that, if practice in 1789 were controlling, it would confirm the propriety of Federal grants for educational purposes.

<sup>2</sup> It may be noted that of the six Justices who concurred in the *Butler* opinion, four (Hughes, C.J., and Roberts, Sutherland, and Van Devanter, J.J.) concurred with Cardozo, Stone, and Brandeis, J.J., in *Helvering v. Davis*.

## MEMORANDUM ON THE IMPACT OF THE FIRST AMENDMENT TO THE CONSTITUTION UPON FEDERAL AID TO EDUCATION

## SUMMARY OF CONCLUSIONS WITH RESPECT TO ELEMENTARY AND SECONDARY SCHOOLS

This summary sets out briefly the conclusions reached in the attached memorandum with respect to the application of the first amendment to Federal aid to elementary and secondary schools with religious affiliations. The field of higher education, which presents different factual, historical, and constitutional considerations, is discussed in the body of the memorandum. The memorandum also discusses the problem of obtaining judicial review.

## I

The Supreme Court has ruled that the first amendment to the Constitution forbids the use of public funds to "support religious institutions" or "finance religious groups." Legislation which renders support to church schools is unconstitutional in some circumstances. But laws designed to further the education and welfare of youth may not be unconstitutional if they afford only incidental benefits to church schools. For example, public funds may unquestionably be used to provide fire and police protection to church schools.

The line between direct support and incidental benefits is not always easy to determine. Decisions of the Supreme Court and relevant State cases cited and discussed in the accompanying memorandum make it clear that it is easier to determine what the first amendment forbids than what it allows.

## II

## A. Several unconstitutional proposals can be readily identified

1. Across-the-board grants to church schools may not be made. The Supreme Court has declared: "No tax in any amount, large or small, can be levied to support religious activities or institutions, whatever they may be called, or whatever form they may adopt to teach or practice religion" (*Everson v. Board of Education*, 330 U.S. 1). Plainly an across-the-board grant is the type of support which the Court has ruled is prohibited. Since no effort is made to earmark the funds for specific purposes, such a broad grant would inevitably facilitate the performance of the religious function of the school. This the first amendment forbids.

2. Across-the-board loans to church schools are equally invalid. A loan represents a grant of credit. When made at a rate of interest below what is normally available to the borrower, it also constitutes a grant of the interest payments which are saved. These benefits plainly have the purpose of providing financial advantage or convenience to the recipient. And like the broad grant, the across-the-board loan would inevitably facilitate religious instruction.

The Supreme Court has ruled that the first amendment forbids the lending of a public classroom for religious instruction during released time (*McCullum v. Board of Education*, 333 U.S. 203). The lending of public property and the lending of public credit are constitutionally equivalent forms of Government assistance. In *Zorach v. Clauson* (342 U.S. 306), the Supreme Court stated: "Government may not finance religious groups."

3. Tuition payments for all church school pupils are invalid since they accomplish by indirection what grants do directly. The form of governmental assistance is not controlling. Since tuition payments, whether made to the school or to the parent or student, would constitute support of church schools, they are prohibited by the first amendment. State courts have followed the statements of the *Everson* case to invalidate tuition proposals, since such a practice "compels taxpayers to contribute money for the propagation of religious opinions which they may not believe" (*Almond v. Day*, 197 Va. 419, 89 S.E. 2d 851; *Swart v. South Burlington Town School Districts*, 167 A. 2d 514).

## B. Areas of uncertain constitutionality

The permissible area of legislation which renders incidental benefits to church schools is not clear. The *Everson* case illustrates the closeness of the question. In upholding bus transportation, a form of assistance in no way connected with the religious function of a church school, the Court divided by 5 to 4. The majority opinion suggested that the statute in question "approaches the verge" of impermissible action under the first amendment (330 U.S. 16). Nonetheless,

bus transportation has been ruled valid, and other collateral benefits like provision of milk and lunches appear equally constitutional, since the benefit is plainly to the health of the child and not to the school itself.

It is also likely that where funds are made available to a church school on a loan basis for special purposes not closely related to religious instruction, constitutional objections may be avoided. An example is title III of the National Defense Education Act which enables church schools to borrow funds for equipment to assist in teaching science, mathematics, and languages. Such programs advance specific national purposes, and their relationship to the religious function of a church school is remote. Moreover, the requirement that such funds be repaid makes it unlikely that a church school will be enabled to free its own funds for religious purposes.

In what other directions this principle of special purpose loans may be extended is difficult to ascertain. Typically secular and sectarian education is so interwoven in church schools as to thwart most possibilities.

## CONTENTS

---

### Introduction.

The constitutional principles.

The judicial precedents.

The relevant criteria.

How closely is the benefit related to the religious aspects of the institution aided?

Of what economic significance is the benefit?

To what extent is the selection of the institutions receiving benefits determined by Government?

What alternative means are available to accomplish the legislative objective without resulting in the religious benefits ordinarily proscribed? Could these benefits be avoided or minimized without defeating the legislative purpose or without running afoul of other constitutional objections?

### Legislative programs and proposals.

General educational grants to private nonprofit elementary and secondary schools.

General educational loans to private nonprofit elementary and secondary schools.

Special purpose programs.

Higher education.

Judicial review.

Appendix A—Bibliography.

Appendix B—Description of some representative comments on the *Everson*, *McCullum*, and *Zorach* cases.

## MEMORANDUM ON THE IMPACT OF THE FIRST AMENDMENT TO THE CONSTITUTION UPON FEDERAL AID TO EDUCATION

The extent to which Government, whether Federal, State, or local, may, consistently with the U.S. Constitution, aid religious schools is a problem which, surprisingly enough, is a relatively new one.

Prior to 1947 Federal judicial concern with this field was limited. The only case presented to the Supreme Court involving the expenditure of federally controlled funds to religious schools was *Quick Bear v. Leupp* (210 U.S. 50 (1908)), which held merely that provisions in certain Indian appropriation acts prohibiting the use of public funds for the education of Indians in sectarian schools did not prevent trust funds belonging to the Indians and administered by the Federal Government from being used for such schools at their request and such action did not involve the prohibitions of the first amendment.

It was only recently that State action in this field was held subject to first amendment limitations.<sup>1</sup> The first amendment provides that "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof \* \* \*." By itself this language is not a limitation on State action, though similar provisions exist in many State constitutions. In 1934, however, freedom of religion as guaranteed by the 1st amendment was construed to be among the liberties protected by the due process clause of the 14th amendment limiting State action (*Hamilton v. Regents of the University of California*, 293 U.S. 245 (1934)). Later, in 1947, the now leading case of *Everson v. Board of Education* (330 U.S. 1) made it clear that the due process clause forbade State action which would effectuate "an establishment of reli-

---

<sup>1</sup> For this reason the limited number of earlier cases touching upon State action affecting religious schools came up in the context of the question whether property rights were impaired without due process of law in violation of the 14th amendment. See *Pierce v. Society of Sisters* (268 U.S. 510 (1925)), upholding as a constitutional right the maintenance of private, including parochial, schools; *Cochran v. Board of Education* (281 U.S. 370 (1930)), holding that the use of State moneys to provide textbooks for schoolchildren, including those attending private schools, whether sectarian or nonsectarian, is not a taking of property for private purposes.

gion" prohibited by the first amendment. The impact of that case is that State and Federal action affecting religion must now satisfy the standards of the amendment. Under those standards, what is forbidden to a State is also forbidden to the Federal Government, and what is forbidden to the Federal Government is also forbidden to a State. It is possible, however, that what the Federal Government and the States may properly do without offending the first amendment may nevertheless be prohibited to a particular State because of its own constitutional prohibitions. [Emphasis added.]

In *Ererson*, the Supreme Court in a 5 to 4 decision, held that where a local school district, as authorized by State law, reimbursed parents for the busfare paid by them for public transportation of their children to parochial as well as public schools, such aid did not violate the establishment of religion clause of the first amendment. It was followed in 1948 by *McCullum v. Board of Education*, 333 U.S. 203. With only Mr. Justice Reed dissenting, the Court there held that the first amendment (as made applicable by the 14th amendment to the State) forbade a public school program of released time under which religious teachers provided by various denominations were permitted by the board of education to hold classes in public school buildings for students who had volunteered for religious instruction. The children not desiring such instruction continued their regular studies in other rooms. In 1952, *Zorach v. Clauson*, 343 U.S. 306, was decided. By a 6 to 3 vote, a voluntary released time program, basically differing from that involved in the *McCullum* case only in that the religious instruction was provided off the school premises, was held constitutional. These three cases constitute the most important judicial precedents in the field. The paucity of Supreme Court precedent is due to two factors: First, it was only in 1934 that the Court read the 14th amendment as embodying the pertinent provisions of the first amendment; second, despite the existence of a number of Federal educational programs in recent years, judicial review in Federal courts at the instance of a taxpayer of the lawfulness of Federal expenditures has not been available since *Massachusetts v. Mellon*, 262 U.S. 447, decided in 1923.<sup>2</sup> It should therefore be emphasized that the questions discussed in this memorandum are probably not open for judicial determination, unless adequate special statutory provisions are enacted to authorize judicial review.

The difficulties of obtaining a court test of legislation in this area impose a solemn responsibility upon both Congress and the Executive to be especially conscientious in studying the Constitution and relevant Supreme Court decisions so that any enactment will scrupulously observe constitutional limitations.

## I. THE CONSTITUTIONAL PRINCIPLES

At the outset it is evident that resolution of the constitutional problems of present concern requires us to deal with the interrelation of three constitutional limitations. Two are contained in the provisions of the first amendment: neither Congress nor the States may pass any law "respecting an establishment of religion"; neither may they pass any law "prohibiting the free exercise thereof." The third constitutional limitation is found with respect to the Federal Government in the due process clause of the fifth amendment and, for the States, in the due process and equal protection clauses of the 14th amendment. These limitations prohibit the Federal Government or a State from unreasonable discrimination in governmental programs. (See *Bolling v. Sharpe*, 347 U.S. 497 (1954); *Brown v. Board of Education*, 347 U.S. 483 (1954)).

In many instances these three constitutional limitations overlap in one regard or another to prohibit Federal or State action. For example, a Government program of compulsory education exclusively at State-operated schools which taught religion would violate all three. In other factual circumstances, however, a program which satisfied one or more of the limitations might violate another. For example, a program of educational grants to returning war veterans for their readjustment into civilian life perhaps could not have constitutionally excluded from its benefits applicants who wished to attend sectarian institutions. This would probably be regarded as a classification so unrelated to the expressed public purpose as to offend due process requirements.

There is agreement that education serves a fundamental public purpose (see *Brown v. Board of Education*, *supra*, at 493) and accordingly that the Federal

<sup>2</sup> In *Doremus v. Board of Education*, 342 U.S. 429 (1952), the Supreme Court dismissed an appeal for want of jurisdiction in a suit filed by a State and local taxpayer who had not, on the facts alleged, shown a requisite financial interest.



Government or a State may use public funds for that purpose. In addition, to that end States with respect to education under their control may also compel children, within reasonable limits of age and maturity, to attend schools. Moreover, they may set reasonable standards for education. At the same time, there seems little doubt that government may not use its authority in the field of education in order to instruct children in religion generally or in any specific religion. This would violate the establishment of religion clause of the first amendment. Nor may government, without interfering with the religious freedom guaranteed by the first amendment and the due process clause, reserve educational functions to public schools and forbid education by private institutions meeting the standards prescribed by law for the public school. (See *Pierce v. Society of Sisters, supra*). And in any educational program in which public funds are expended there must be equal treatment for all children: that is, a State may not classify children on the basis of their religion, race, or similar irrelevant considerations without violating equal protection and due process requirements.

It is also evident that these constitutional limitations must be interpreted in the light of specific factual situations. It is the difficulty of attempting to interpret and apply them under contemporary conditions that brings about a potential conflict among them. The most significant of these conditions is that to a substantial extent education at the lower levels, which a State requires and compels, is being carried out by schools which teach according to particular religious tenets, although at the same time satisfying secular educational standards established by the State. This is a form of education which the State cannot constitutionally prohibit. It is settled that individuals have a constitutional right to a religious education. At the same time, sectarian schools are ones which the State cannot constitutionally require a student to attend. There is a constitutional right to freedom of religion or no religion.

The difficult problem is posed by the dual constitutional mandate: that the State must recognize these schools as part of its educational system for purposes of compulsory attendance laws, but that it cannot support them in ways that would constitute an "establishment of religion."

The problem is accentuated by the fact that American society is one in which religion touches much of everyday life, both in the home and in the school. It is a society in which customs, practices, morals, and ceremonies have been importantly influenced by religion. Fundamental as are the principles contained in the first amendment, it is clear that they cannot always be absolutes. The problem is to draw a line between what is permitted and what is prohibited in accordance with applicable constitutional principles. Since this must be done in the society in which we actually live—a society in which aspects of religion are inextricably entwined with knowledge and culture—history and experience may be sounder guides to locating Jeffersons' "wall of separation between church and state" than abstract logic.

Even the general agreement that the State cannot constitutionally permit teaching of religion in public schools illustrates some of the difficulties. Examples of efforts to draw the line between constitutionally permissible and impermissible State action have extended to such matters as readings from the Bible, prayers, and celebrations of religious holidays. Pushing the separation doctrine to its logical extreme would make education virtually impossible. History is replete with religious ideas, principles, and experience. Furthermore, it is readily apparent that what one person would classify as simply secular knowledge another would regard as religious instruction. The content of religious belief is largely the prerogative of religious groups to define, though they differ among themselves as to what is included. The content of education is for public authorities to define. Where definitions overlap difficulties arise.

It would be footless to deny that drawing the line between the permissible and impermissible is a hard task. In the *Ererson* case itself, although the Court was unanimously of the view that the establishment of religion clause forbade a State from using public funds for sectarian education, it nevertheless divided by the closest margin (5-4) on whether State reimbursement of parents for fares paid for public transportation to a sectarian school constituted a prohibited use. But, however difficult it may be to find the line in marginal situations, this difficulty cannot properly be used to avoid constitutional proscriptions. There are clear cases as well as difficult ones.

To summarize, the broad principles are clear enough in the light of recent decisions. The first amendment does not require government to be hostile to

religion, nor does it permit governmental discrimination against religious activities. The objective is neutrality, however difficult it may be to be neutral or to determine what neutrality requires in relation to particular factual situations. *Zorach* reaffirms that the State may not actively support a religious organization. On the other hand, it may, and perhaps under some circumstances must, temper its secular requirements if religious observances conflict with them.<sup>3</sup> There is the consistent emphasis in the cases that public funds may not be used to finance religion and that public property may not be used to assist it. Yet, the decisions warn that a person may not be denied general public benefits on religious grounds without violating the first amendment and the due process and equal protection clauses of the 5th and 14th.

## II. THE JUDICIAL PRECEDENTS

As earlier noted, prior to the decision in *Everson*, the Supreme Court had little occasion to consider the problem of governmental aid to religious schools. The right to attend such schools was clearly established in the 1920's. (See *Pierce v. Society of Sisters*, *supra*; see also *Meyer v. Nebraska*, 262 U.S. 390 (1923); *Farrington v. Tokushige*, 273 U.S. 284 (1927).) The *Quick Bear* case, *supra*, had dealt with the unique problem of the use of Indian trust funds. The *Cochran* case, *supra*, had been decided before it had been determined that the establishment of religion clause of the 1st amendment operated upon the States by virtue of the due process clause of the 14th amendment.<sup>4</sup>

As indicated above, the controversy in the *Everson* case concerned a local school-board resolution adopted pursuant to a New Jersey statute. This resolution authorized reimbursement to parents of expenditures for transportation of their children to public and Catholic schools on regular buses operated by the public transportation system. A taxpayer filed suit challenging this action of the school board. The Court unanimously agreed that the due process clause of the 14th amendment embodied the "establishment of religion" prohibition contained in the 1st amendment. Five Justices found that the statute involved did not constitute a "law respecting an establishment of religion." It should be emphasized, however, that all nine Justices agreed that the clause prohibited governmental aid to religion; the disagreement turned, rather, upon whether the benefit was conferred upon the children or upon the parochial schools.

The most extensive discussion appears in the dissenting opinion of Mr. Justice Rutledge. On the basis of his evaluation of the historical materials and his view of the objectives of Madison and Jefferson, leading proponents of the amendment, he stated that—

"The amendment's purpose was not to strike merely at the official establishment of a single sect, creed, or religion, outlawing only a formal relation such as had prevailed in England and some of the colonies. Necessarily it was to uproot all such relationships. But the object was broader than separating church and state in this narrow sense. It was to create a complete and permanent separation of the spheres of religious activity and civil authority by comprehensively forbidding every form of public aid or support for religion. In proof the amendment's wording and history unite with this Court's consistent utterances whenever attention has been fixed directly upon the question" (330 U.S. 31-32).

He concluded, therefore, that the taxing power may not be used to give support to religious training or belief and that "transportation, where it is needed, is as essential to education as any other element"; and that it "is impossible to select so indispensable an item from the composite of the total costs, and characterize it as not aiding, contributing to, promoting, or sustaining the propagation of beliefs which it is the very end of all to bring about" (330 U.S. 47, 48).

Justice Black, writing for the majority, adopted a similar view of the purpose of the first amendment. He stated:

"The establishment of religion clause of the first amendment means at least this: Neither a State nor the Federal Government can set up a church. Neither can pass laws which aid one religion, aid all religions, or prefer one

<sup>3</sup> See, for example, the flag salute case, *Board of Education v. Barnette*, 319 U.S. 624 (1943).

<sup>4</sup> For this reason the *Cochran* case is dubious authority for the proposition that textbooks may be provided by a State to parochial school students. The crucial question of whether the establishment clause of the first amendment prohibits the expenditure of public funds for textbooks to be used by church school pupils was not presented to the Court in this case, and the Court therefore had no occasion to rule upon the question.

religion over another. Neither can force nor influence a person to go to or to remain away from church against his will or force him to profess a belief or disbelief in any religion. No person can be punished for entertaining or professing religious beliefs or disbeliefs, for church attendance or nonattendance. No tax in any amount, large or small, can be levied to support any religious activities or institutions, whatever they may be called, or whatever form they may adopt to teach or practice religion. Neither a State nor the Federal Government, can, openly or secretly, participate in the affairs of any religious organizations or groups and vice versa. In the word of Jefferson, the clause against establishment of religion by law was intended to erect 'a wall of separation between church and state' " (330 U.S. 15-16).

He concluded, however, that the State cannot deny any of its citizens the benefits of public welfare legislation because of their religion. He emphasized that much of such legislation (for example, that providing fire and police protection, etc.) incidentally benefits religious institutions, and that such benefits do not constitute proscribed support of the institutions. In this light he viewed the New Jersey statute merely as providing a program to get children, "regardless of their religion, safely and expeditiously to and from accredited schools." He therefore interpreted the purpose of the statute as a general, nondiscriminating one, designed to protect the health and safety of all schoolchildren. On this basis he was led to the conclusion that, while the New Jersey statute "approaches the verge" of impermissible action under the first amendment, it did not actually breach the "wall of separation between church and state."

The specific holding in the *Everson* case permitted the use of public funds to confer a limited benefit upon children attending religious schools.<sup>5</sup> Nevertheless, the language and reasoning of both the majority and minority gives scant comfort to those who feel that, as a matter of fairness, State support ought to be provided to those schools. Proponents of this view point out that religious schools meet the educational standards imposed by the States and relieve the States of the burden of educating large numbers of children. The parents of children attending religious schools are taxed to support the public schools, yet receive no reciprocal benefits from the States.

The majority opinion states that "no tax in any amount, large or small, can be levied to support any religious activities or institutions, *whatever they may be called, or whatever form they may adopt to teach or practice religion.*" If one assumes that a principal reason for the existence of a religious school is to provide religious teaching and the practice of religion (not available in public schools), and that religious considerations are intertwined in the entire fabric of sectarian education, moneys raised by taxation cannot be used to support such education. Obviously then, direct grants to sectarian schools are prohibited. The only question remaining open is whether the use of funds for general welfare purposes in a manner which benefits religious schools also constitutes prohibited support. [Emphasis supplied.]

Because the clear import of the *Everson* opinion was that neither the Federal Government nor the States can directly support religious schools, a concentrated attack was made upon its rationale. The focus of this attack was on the Court's reading of history; that, in fact, the purpose of the first amendment was merely to strike at the official establishment of a single sect, creed, or a religion, as exists in England, and that the amendment was not intended to prohibit nonpreferential aid to all religions.<sup>6</sup> This view has been vigorously argued by some scholars. For present purposes it is sufficient to note that it was presented to and considered by the Supreme Court in *McCullum v. Board of Education*, *supra*. While it might be argued that Justice Reed adopted this view in his dissent, it is plain that the eight other members of the Court rejected it. The question is not open today.

The *McCullum* case involved the constitutionality of the system of "released time" adopted in Champaign, Ill. Under an arrangement made with various

<sup>5</sup> Earlier this year the Supreme Court dismissed an appeal for want of a substantial Federal question in *Snyder v. Town of Newtown*, 365 U.S. 299, a case in which the Connecticut Supreme Court of Errors, on the authority of *Everson*, upheld the constitutionality of providing bus transportation to parochial school students. Justice Douglas, who had voted with the majority in *Everson*, and Justice Frankfurter, who had voted with the minority, both especially noted their votes to have the Supreme Court review the Connecticut decision.

<sup>6</sup> See J. M. O'Neill, "Religion and Education Under the Constitution" (1949). The use of the O'Neill thesis by counsel in the *McCullum* case is referred to in Pfeffer, "Church and State: Something Less Than Separation," 19 U. of Chi. L. Rev. 1, 2 (1951).

religious faiths, representatives of those faiths were permitted to offer classes in religious instruction in the public schools. The classes were held once a week for 30 minutes in the lower grades and 45 in the higher grades. The teachers were not paid by the public school authorities, and the classes were attended only by students whose parents had requested it. Students who did not choose the program continued their secular studies in other classrooms. Justice Black, writing the opinion of the Court, stated that the arrangement was clearly prohibited by the holding in *Everson*:

"The foregoing facts, without reference to others that appear in the record, show the use of tax-supported property for religious instruction and the close cooperation between the school authorities and the religious council in promoting religious education. The operation of the State's compulsory education system thus assists and is integrated with the program of religious instruction carried on by separate religious sects. Pupils compelled by law to go to school for secular education are released in part from their legal duty upon the condition that they attend the religious classes. This is beyond all question a utilization of the tax-established and tax-supported public school system to aid religious groups to spread their faith. And it falls squarely under the ban of the 1st amendment (made applicable to the States by the 14th) as we interpreted it in *Everson v. Board of Education*, \* \* \*" (333 U.S. 209-210).

He went on to state:

"Recognizing that the Illinois program is barred by the 1st and 14th amendments if we adhere to the views expressed both by the majority and the minority in the *Everson* case, counsel for the respondents challenge those views as dicta and urge that we reconsider and repudiate them. They argue that historically the first amendment was intended to forbid only Government preference of one religion over another, not an impartial governmental assistance of all religions. In addition, they ask that we distinguish or overrule our holding in the *Everson* case that the 14th amendment made the 'establishment of religion' clause of the 1st amendment applicable as a prohibition against the States. After giving full consideration to the arguments presented we are unable to accept either of these contentions" (*id.*, 211).<sup>7</sup>

*Zorach v. Clauson*, *supra*, is the last case in which the Supreme Court has considered the "establishment of religion" prohibition. It also involved "released time." There the plan permitted students actually to be released from the public schools at their parents' request in order to obtain religious instruction elsewhere. The churches participating reported to the schools the names of children released from school who did not appear for religious instruction. In a 6 to 3 decision, the Court concluded that there was no element of coercion in the plan and that the only issue involved was whether public schools may excuse those who wish to worship or obtain religious instruction. The principles of the earlier cases were, however, carefully preserved. The Court stated:

"Government may not finance religious groups nor undertake religious instruction nor blend secular and sectarian education nor use secular institutions to force one or some religion on any person. But we find no constitutional requirement which makes it necessary for Government to be hostile to religion and to throw its weight against efforts to widen the effective scope of religious influence. The Government must be neutral when it comes to competition between sects. It may not thrust any sect on any person. It may not make a religious observance compulsory. It may not coerce anyone to attend church, to observe a religious holiday, or to take religious instruction. But it can close its doors or suspend its operations as to those who want to repair to their religious sanctuary for worship or instruction. No more than that is undertaken here" (343 U.S., at 314).

In separate dissents, Justices Black, Frankfurter, and Jackson said that since in effect the machinery of the State was being used to provide pupils to religious groups, the plan was constitutionally indistinguishable from that held invalid in *McCormack*.

The majority opinion, while emphasizing that ours is a religious Nation, with profound religious traditions affecting and intermingling with secular activities (*id.*, at 313-314), does not abandon the basic view of the first amendment

<sup>7</sup> In his concurring opinion, Justice Frankfurter also made it clear that "the 1st and 14th amendments have a secular reach far more penetrating in the conduct of Government than merely to forbid an 'established church'" (*id.*, 213). Justice Jackson who, in a separate concurrence expressed doubts as to the standing of the complainant and the scope of the relief granted, concurred in this opinion.

adopted in *Everson* and *McCollum*. The most that can be said is that the opinion evidenced a somewhat more flexible attitude toward problems of separation.

The State court cases which have been decided since *Everson* have interpreted that case and *McCollum* and *Zorach* as precluding use of public funds to pay tuition at sectarian schools. *Almond v. Day* (197 Va. 419, 89 S.E. 2d 851 (1955)), held that State payments to sectarian elementary and secondary schools for the education of war orphans violated the first amendment because such payments utilize—

“\* \* \* public funds to support religious institutions contrary to the principles laid down in *Everson* \* \* \*. It affords sectarian groups an invaluable aid in that it helps to provide pupils for their religious classes through use of the State's compulsory public school machinery \* \* \*. It compels taxpayers to contribute money for the propagation of religious opinions which they may not believe” (89 S.E. 2d, at 858).

*Swart v. South Burlington Town School District* (167 A. 2d 514 Vt. (1961)), involved a school district which did not maintain a high school. Pursuant to statute the parents were permitted to choose schools, and the district paid the tuition. Under this plan it made tuition payments to Catholic high schools. The court read the *Everson*, *McCollum*, and *Zorach* cases as raising the following question, which it answered affirmatively:

“Does the payment of tuition to a religious denominational school by a public entity finance religious instruction, to work a fusion of secular and sectarian education?” (167 A. 2d, at 520).

The court, although noting that the district did not maintain a public high school, that the Catholic schools involved had been approved by the State board of education, and that non-Catholic students were not required to attend religious instruction, concluded, nevertheless, that the first amendment had been violated.

The foregoing two cases are the only State court decisions since *Everson* that have dealt with the payment of tuition to sectarian schools. Both hold such payments unconstitutional on the basis of that authority. Other State cases, however, have sustained payments to other types of sectarian institutions in specialized circumstances. Thus, payments for the support and maintenance of neglected and dependent children in denominational homes and institutions were upheld because they were considered as reimbursement rather than a use of appropriated funds prohibited by the State constitution (*Schade v. Allegheny County Institution District*, 386 Pa. 507, 126 A. 2d 911 (1956)). Payments to sectarian institutions have also been justified where the funds were used exclusively for public purposes and the institution merely operated as a conduit for those purposes. In *Opinion of the Justices* (99 N.H. 519, 113 A. 2d 114 (1955)), there was involved a proposed New Hampshire law which would have provided annual grants-in-aid to hospitals in the State offering nurses' training. This aid would have gone only to charitable hospitals, including sectarian ones which did not discriminate on the basis of the religion of either students or patients. Holding that the grant program would not violate either the first amendment or its New Hampshire equivalent, the court stated:

“The purpose of the grant \* \* \* is neither to aid any particular sect or denomination nor all denominations, but to further the teaching of the science of nursing \* \* \*. The aid is available to all hospitals offering training in nursing without regard to the auspices under which they are conducted or to the religious beliefs of their managements, so long as the aid is used for nurses' training ‘and for no other instruction or purpose’ \* \* \*. If some denomination incidentally derives a benefit through the release of other funds for other uses, this result is immaterial \* \* \*. A hospital operated under the auspices of a religious denomination which receives funds under the provisions of this bill acts merely as a conduit for the expenditure of public funds for training which serves exclusively the public purpose of public health and is completely devoid of sectarian doctrine and purposes.

“The fundamental proposition that public moneys shall be used for a public purpose only has not prevented the use of private institutions as a conduit to accomplish the public objectives” (113 A. 2d, at 116).<sup>9</sup>

<sup>9</sup> A similar early holding by the Supreme Court is *Bradfield v. Roberts* (175 U.S. 291 (1899)). There the Court held that the 1st amendment did not preclude the Commissioners of the District of Columbia from entering into a contract with an eleemosynary corporation organized by Catholic sisters for the construction of buildings to be operated as part of the hospital.



The *Everson*, *McCullum*, and *Zorach* cases have also inspired a large body of scholarly comment. Appendix A is a representative bibliography of such comment. In appendix B we shall briefly describe some of the representative views contained in such comment.

### III. THE RELEVANT CRITERIA

The foregoing review suggests the relevancy of several considerations in determining the constitutional reach of the first amendment. The Supreme Court has made it absolutely clear that public funds and public property may not be used for the purpose of assisting any or all religions. In the *Everson* and *McCullum* cases, it has unequivocally rejected the historical argument, whatever its merits, that the establishment clause merely forbids State favoritism among religions.

The initial inquiry, therefore, must be whether a given legislative proposal is honestly designed to serve an otherwise legitimate public purpose and is not a mere subterfuge for religious support. Application of the test is not always easy. In the *Everson* case the majority characterized the New Jersey law as related to the health and safety of children—a legitimate public concern. It was likened to police and fire protection services, concededly legitimate “benefits” to religious institutions, “incidental” to the larger public interest (330 U.S., at 16–18). The dissenters viewed the statute differently. They pointed out that, contrary to the Court’s interpretation, it discriminated against other private schools. And all four dissenting Justices characterized the statute as having the purpose of getting the child to school—an indispensable part of his education—rather than protecting his health and safety. Indeed, the characterization largely decided the case for both majority and minority. Justice Black for the majority suggested that once the characterization is made in his fashion, it might well be a violation of the 14th amendment and the free exercise clause of the first to discriminate on religious grounds.

This analysis is confirmed by *McCullum* where the Court forbade the use of public school facilities for religious instruction during “released time.” Here there could be no possible public purpose except to assist and support religious education—a purpose the Court found proscribed by the first amendment.<sup>9</sup>

The existence of a bona fide legislative purpose does not, however, validate a measure irrespective of any collateral benefit that might be rendered to a religious institution. Assume a legitimate public purpose not explicitly or implicitly related to religious support, as in the concededly constitutional examples cited in *Everson*—police, fire, sewage, and (on *Everson*’s assumptions) transportation. Could it properly be contended, for example, that since improving educational standards generally is a legitimate public purpose, any program which has that for an objective is constitutional irrespective of the establishment clause of the first amendment? If the objective is legitimate, are the benefits bestowed on religious schools always and necessarily “incidental”? We think not. The end cannot always justify the means. And where the means employed result in fact in support of religious institutions, the constitutional judgment cannot be avoided.

The problem area, then, is with regard to legislation which has a constitutionally legitimate public purpose but which at the same time has the additional side effect of benefiting a religious institution. This was the problem raised by *Everson*, and the difficulty of its resolution is evidenced both by the 5–4 division of the Court itself and the widespread comment it engendered. How is the line to be drawn between what is proscribed and what is permissible? Once a benefit to a religious institution is conceded, what are the relevant criteria for determining that it is merely “incidental”? What factors are to be taken into account and evaluated?

As Justice Douglas acknowledged in *Zorach*, we live in a culture and society in which religion has played and continues to play a vital role. It is not possible to separate religion completely from other aspects of life, and the Constitution does not require the impossible. There may be no wholly logical distinction between tax exemption of religious property and governmental grants

<sup>9</sup> In the *McCullum* case, the Court stated: “Here not only are the State’s tax-supported public school buildings used for the dissemination of religious doctrines. The State also affords sectarian groups an invaluable aid in that it helps to provide pupils for their religious classes through use of the State’s compulsory public school machinery. This is not separation of church and state” (333 U.S. at 212).

to construct religious edifices. Yet the whole history of church and state and the constitutional policy embodied in the first amendment put tax exemption and grants at opposite poles.<sup>10</sup> Neither the majority nor dissenters in *Everson* could suggest an easy, workable rule of thumb against which to measure all governmental aid. But history, the language of the Constitution, the judicial decisions, and past practices do furnish an understanding of the criteria that are relevant to a judgment.

1. *How closely is the benefit related to the religious aspects of the institution aided?*

We are here concerned, as previously, with the underlying problem of distinguishing aid to the public generally, or general classes thereof, from aid to religion in particular. As the fire, police, and sewage examples indicate, churches and other religious institutions may receive benefits in their capacities as members of the general public and as property owners. The Constitution does not require that they be discriminated against or be excluded from a general class conceptually and factually unconnected with religion, i.e., property owners.<sup>11</sup> So, too, a church or church school may receive tax exemption when classified with others as "nonprofit" organizations. Again it meets the group criteria, and there is no constitutional obligation to exclude it from benefits common to the class. Similarly, it may be said validly that children, as such, constitute a class which is a proper object of general welfare legislation. The State has a legitimate concern with their health, their safety, and, indeed, their education. It may extend financial assistance in various ways to achieve these ends. But where this assistance is also assistance to a religious institution, the means become crucial. One horn of the constitutional dilemma is that the State may aid a child to achieve a sound body and a sound mind; the other is that the State may not aid the religious instruction of a child.

To adopt without qualification the theory that whatever benefits the child is ipso facto constitutional is to ignore the obverse prohibition. It either proves too much or proves nothing at all. The crucial question then becomes separating the permissible from the prohibited, the educational function from the religious one.

The clearest case is "across the board" aid, which necessarily includes items of aid that are closely related to the religious function. No separation is even attempted, and therefore general State grants to sectarian education would seem to be plainly prohibited. Public schools have already been constitutionally prohibited from providing classrooms for religious instruction during released time at no measurable cost to the public purse. A fortiori the Government is prohibited from granting funds to sectarian schools which would, directly or indirectly, serve the same prohibited use.

Milk, school lunch, medical inspection and services, and such like do not raise substantial problems because they do not closely tie in with the religious function served.<sup>12</sup> The Supreme Court has put transportation in the same category. True, all such programs make the sectarian school more attractive educationally than it would otherwise be. But the Constitution does not require the State to handicap religious institutions or force parents to prejudice their children's health in exercising their constitutionally protected right to a sectarian education.

The same principle may, perhaps, be extended to textbooks for the use of individual students where the books in question are common to the secular and sectarian educational systems.<sup>13</sup> It might also be extended to some equipment, or possibly to facilities, designed for special purposes totally unconnected with the religious functions of the schools.

How far this type of assistance, unquestionably of benefit to the sectarian school, can go cannot be conclusively stated. Unavoidably we are dealing here with matters of degree. State court cases indicate that it may be possible to make a tenable distinction between aid to sectarian hospitals and aid to sectarian schools.<sup>14</sup> The Supreme Court put transportation at the outer limits

<sup>10</sup> See Paulsen, "Preferment of Religious Institutions in Tax and Labor Legislation," 14 *Law & Contemp. Prob.* 144, 147-152 (1949); Van Alstyne, "Tax Exemption of Church Property," 20 *Ohio St. L.J.* 461 (1959); note, 49 *Colum. L. Rev.* 968 (1948).

<sup>11</sup> The same could be said of according the benefits of State incorporation laws to churches.

<sup>12</sup> See Pfeffer, "Church, State, and Freedom" (1953), at 474-475.

<sup>13</sup> See footnote 4, *supra*.

<sup>14</sup> See, for example, "Opinion of the Justices," *supra*; cf. *Schade v. Allegheny County Institutional District*, *supra*.



of the constitutionally permissible. Those who see no distinction between transportation and any other form of assistance whatsoever should keep in mind that, apparently, the Court did.

*2. Of what economic significance is the benefit?*

The spectrum of monetary benefits begins with an outright grant and moves through various loan arrangements to the most limited form of assistance, the contract for specified services.

The benefits of a grant are clear. Significant support is provided to the recipient. Moreover, the absence of any required repayment enables the recipient to free its own funds for any purposes, including those which directly support religious aspects of the institution.

A loan confers economic benefit of less degree but not of a different quality than a grant. A loan represents a grant of credit. When made at a rate of interest below what is normally available to the borrower, it also constitutes a grant of the interest payments which are saved. Whatever the interest rate, the lending of credit can be analogized to the lending of a classroom prescribed in the *McCullum* case. While the *Everson* case did talk about the expenditure of tax moneys as constituting the proscribed conduct, *McCullum* did not involve any expenditure, and, therefore, is closer to the loan situation. The lending of public property and the lending of public credit seem indistinguishable as forms of governmental assistance. And in the *Zorach* case, Justice Douglas, speaking for the majority, expressly stated: "Government may not finance religious groups \* \* \*" (343 U.S., at 314). It is our view that the statement, admitted dictum, was not confined to grant assistance.

It is also important to recognize that the measurement of economic value is not necessarily the same from the standpoint of the governmental donor and the private recipient. While a loan at slightly above the prevailing rate of Government borrowing might involve no economic loss from the standpoint of taxpayers, it might, nonetheless, be of measurable economic assistance to private institution unable to secure reasonable credit from nongovernment sources.

Also relevant is whether the assistance provided enables a private institution to free its own funds for unrestricted purposes. To the extent that this occurs, the economic benefit becomes the type of "across the board" assistance which inevitably assists religious purposes. Unless a grant is earmarked for a specific purpose which would not otherwise be undertaken by the recipient, a grant program is more likely than a loan program to have the effect of releasing funds for constitutionally impermissible purposes.

When the Government makes contracts for initiation of particular studies or grants for undertaking particular research, any benefit to a religious institution seems too remote to be constitutionally proscribed. Unlike an "across the board" grant for "education" or an unrestricted grant for classroom construction and teacher salaries, such programs are primarily to serve a special governmental interest, and the size of the fee or grant is closely related to the cost of the program. In such cases the religious benefits seem remote and incidental. Alternatives would require a preference to secular institutions which in many instances might be less well-equipped to carry out the required research.

*3. To what extent is the selection of the institutions receiving benefits determined by Government?*

There is an important difference between governmental programs that aid institutions as such (including sectarian institutions) or aid them on behalf of all their students and, on the other hand, programs that aid a small number of selected students whose choice of institution alone results in benefit to a sectarian school. In the former case the aid to sectarian institutions is an automatic consequence of Government action; in the latter, it is a matter of chance so far as Government is concerned.

Under the original GI bill, each individual selected the institution he wished to attend, although the Government made the tuition payment directly to the institution. If the Government had selected the institution, however, it would obviously have presented a very different situation, and the mode of selection would have been more relevant than the identity of the payee of the Government check.

A program of financial aid to qualified students attending institutions of their choice, to carry out a public policy of assisting unusually able students to develop their full potentialities, or to encourage study in subjects where there is a shortage of adequately trained persons to serve national needs, does not seem

to raise a serious question. The support which a particular religious institution might receive would depend upon the student's choice and would seem, therefore, both indirect and incidental. From the governmental viewpoint it would depend upon chance, not governmental decision. There would seem to be no constitutional significance to the fact that, like other problems of probability, some statistical prediction might be possible of how much aid particular religious institutions might receive. Only if selective standards of eligibility of recipients were to be virtually abandoned so that all college students were eligible would the program appear a disguised method of assisting all colleges, including sectarian ones. Under such a system there would be no functional difference between the award of scholarships and direct payments to colleges on a per capita basis. A program so equivalent to direct subsidy would transcend, we believe, the constitutional prohibition.

*Everson* put some emphasis on who received the assistance, student or institution. From this it has been argued that while assistance to the institution itself is prohibited, assistance to the student is more likely permissible, even though, functionally viewed, a similar purpose is served. This view overstates the significance of form alone. We believe that who receives the benefit is important only where form serves a substantive end. The examples above illustrate that it is not simply the identity of the payee which is the determinant of constitutionality.

4. *What alternative means are available to accomplish the legislative objective without resulting in the religious benefits ordinarily prescribed? Could these benefits be avoided or minimized without defeating the legislative purpose or without running afoul of other constitutional objections?*

Within this category, where the constitutional significance of incidental religious assistance is discounted in part by necessity, one could include many of the traditional "benefits" received by church organizations; for example, police protection, fire protection, and sewage disposal, although these could also be justified by other criteria suggested above. The point is that protection of health and safety within the community cannot reasonably be accomplished without including religious institutions within the class of beneficiaries. Furthermore, to exclude religious institutions from the class benefited would probably be violative of the first amendment as tending to prohibit freedom of worship and of the due process clause as an unreasonable classification.

Another illustration of the criterion here applied lies in the employment of chaplains and the construction of churches and places of worship by the Armed Forces. The purpose of employing chaplains is related to the morale and discipline of the forces, and it is difficult to see how an army could effectively perform its military functions without making provision for the moral welfare of the troops. In the context of military operations, this purpose can be effectuated only by active assistance on the part of the Government.

Conversely, to refuse to facilitate religious activities would be to throw the power of the Government against religion, not to maintain neutrality. To make it legally or factually impossible for a soldier to worship freely and to fail to adjust military necessity to religious freedom, within reasonable limitations, would itself be unconstitutional. Here, it seems, history and constitutional theory require cooperation of church and state not to breach, but rather to preserve, the "wall of separation." Soldiers may not be coerced into church attendance, but making church attendance possible cannot, under the facts of military organization, be constitutionally proscribed. And the difference between using public facilities within the armed services and permitting the use of public facilities in the released time school cases is found in the different demands of military life and the life of schoolchildren in a typical American community.

The *Everson* case itself provides an example, for once it has been determined that the legislative purpose relates to the safety and health of children, it is difficult to see how it could be accomplished without including all children.

One final example where the practicalities are relevant is the GI bill. The purpose of the bill was readjustment of veterans to civilian life by making it possible for them to continue their education. To have conditioned their benefits on attendance at a secular institution would have been impractical in view of the number of veterans and the limited educational resources available. In view of the short-range duration and urgency of the program, the construction of

adequate additional facilities would have been impractical if not impossible.<sup>15</sup> Thus, the legitimate legislative purpose could not have been achieved by other reasonable means.

One cannot blink at the difficulties of applying this criterion, nor do we suggest it is by any means conclusive. In some instances the support of religious institutions incident to a legitimate public policy may well be so direct and substantial that the policy itself may be legislatively unattainable despite the absence of practical alternatives.

One final argument made by proponents of governmental aid to nonprofit private schools should be mentioned. It has been suggested that the only criterion is whether or not the religious institution benefits qua religious institution or as a member of a more general class. This argument seems to be directly contrary to *Everson* and meets none of the criteria which we believe are determinative of constitutionality. This argument seeks to avoid the Constitution rather than to apply its terms as judicially interpreted. Benefits of some kinds may be conferred upon general classes, as earlier suggested—property owners, corporations, and nonprofit organizations—but we do not believe that the prohibition of tax-raised “support” of religious institutions can be circumvented merely by giving like support to other institutions, however numerous.

#### IV. LEGISLATIVE PROGRAMS AND PROPOSALS

Against the authority and criteria already discussed, this section considers legislative proposals which have been introduced or which may possibly be seriously urged. These are (A) general educational grants to private nonprofit elementary and secondary schools; (B) general educational loans to private nonprofit elementary and secondary schools; (C) special purpose programs.

##### A. General educational grants to private nonprofit elementary and secondary schools

Federal grants to sectarian schools for general educational purposes would run squarely into the prohibitions of the first amendment as interpreted in the *Everson*, *McCullum*, and *Zorach* cases. Grants for assistance in the construction of general school facilities and for increasing teachers' salaries, to be administered by governmental agencies and made available directly to sectarian schools, are the clear case of what is proscribed by the Constitution. They meet none of the criteria suggested in the foregoing section. Indeed, if such grants would not violate the establishment provision of the first amendment as judicially interpreted, it is difficult to think of a form of Government aid which would. Aid by way of grants to sectarian schools could only be justified by a reversal of the Supreme Court's interpretation of the establishment clause and a new interpretation which would regard it as merely prohibiting discrimination among religions. Whatever its historical justification, this latter interpretation of the clause has been urged upon the Court in the cases cited and rejected by nine Justices in *Everson* and by eight in *McCullum*. While the tone of the *Zorach* opinion may imply a slight modification of the rigid separation doctrine espoused in *McCullum*, it is clear that it did not modify the Court's earlier interpretation of the establishment provision in any substantial way. Rather, the opinion reiterates the principle that Government may not finance religious institutions.

Since the Supreme Court has spoken, the only serious argument put forward against this conclusion rests more on considerations of fairness than of law. The argument is that, because sectarian schools meet all prescribed standards of education and because they contribute significantly to the education of American children, they should be entitled to governmental assistance. This argument is bolstered by stating that, in effect, the refusal to grant assistance to children attending such schools constitutes a discrimination against them incompatible with the spirit of the fifth amendment, and, viewed realistically, violates the mandate of the first amendment against prohibiting the free exercise of religion.

The difficulty with this viewpoint, apart from the fact that it has been consistently rejected by the courts,<sup>16</sup> lies in the fact that students attending such

<sup>15</sup> To have excluded from its benefits those veterans who, by conscience or preference, wished to attend sectarian institutions might conceivably have violated due process.

<sup>16</sup> In *Swart v. South Burlington Town School District*, 167 A. 2d 514, *supra*, the Supreme Court of Vermont forbade the payment of tuition by the school district for students attending a parochial school. In meeting the argument stated above, the Court said (at pp. 520–521): “Considerations of equity and fairness have exerted a strong appeal to temper the severity of this mandate. The price it demands frequently imposes

schools do so as a matter of free choice. If the choice is not "free" it is because of the religious beliefs of the individuals making the choice, not because of governmental edict. Since the public schools are open to all children without exception, it cannot be argued that constitutionally proscribed discrimination exists.

The prohibition embodied in the free exercise provision of the first amendment is only a prohibition against Government action which interferes with religious freedom. The Constitution does not require the Government to create conditions which make the free exercise of religion less burdensome financially.

#### **B. General educational loans to private nonprofit elementary and secondary schools**

It has been suggested that even if grants to sectarian elementary and secondary schools are unconstitutional, long-term, low-interest loans would not be. While we believe that loans constitute a less substantial assistance to religion than outright grants, we are persuaded by the decisions of the Supreme Court that this proposal is no less a form of support than grants and is equally prohibited by the Constitution. Loans are prohibited by the rationale of the *Everson* decision, and this conclusion is reinforced by *McCullum*, where the Supreme Court declared unconstitutional the provision of classrooms in a public school for religious instruction during "released time."<sup>17</sup> No measurable cost to the Government was involved in the use of such facilities, yet the Court held that the use nonetheless constituted assistance to religion by a governmental entity in violation of the establishment provision.

Low-interest, across-the-board construction loans do provide measurable economic benefit to religious institutions. Moreover, there is a total failure in this proposal to distinguish between those aspects of a school which are involved with religious teaching and those which may not be. This combination of factors when applied to elementary and secondary schools places the proposal beyond the limits of permissible assistance.

#### **C. SPECIAL PURPOSE PROGRAMS**

The Federal Government at present engages in a wide variety of statutory programs that have some impact on sectarian educational institutions. It is significant that the great bulk of Government-supported programs is in fields of higher education. Examples are aids for specialized training; or research connected with national defense, public health, or improving educational methods; or loans for college housing facilities or to permit needy students to attend college. In all such programs no direct connection with religion in present,<sup>18</sup> and the funds in each case appear adequately separated from any religious function to stay within constitutional bounds.

Existing Federal programs at the elementary and secondary level are less extensive in number and size. Typically, such programs either bear a clear-cut relationship to children's health or promote a special purpose with a clear national defense implication. These programs are devoid of any substantial aid to the religious function, and such aid as might possibly occur is both remote and unavoidable.

---

heavy burdens on the faithful parent. He shares the expense of maintaining the public school system, yet in loyalty to his child and his belief seeks religious training for the child elsewhere. But the same fundamental law which protects the liberty of a parent to reject the public system in the interests of his child's spiritual welfare, enjoins the state from participating in the religious education he has selected. See *Pierce v. Society of the Sisters*, 268 U.S. 510, 45 S. Ct. 571, 69 L. Ed. 1070, 39 A.L.R. 468.

"Equitable considerations, however compelling, cannot override existing constitutional barriers. Legislatures and courts alike cannot deviate from the fundamental law."<sup>17</sup> Although use of the pressures of the compulsory attendance laws was a factor in the decision, *Zorach* indicates that use of the school facilities tipped the balance.

<sup>18</sup> One seeming exception, more apparent than real, has been the aid given over a 5-year period by the National Institute of Mental Health under 42 U.S.C. 242a, to three divinity schools to develop curricula for training clergymen in the recognition and understanding of mental illness. For the purpose of such aid, clergymen along with teachers and lawyers are looked upon as groups which frequently deal with individuals in personal difficulty. The development of training for such groups presents an opportunity to advance the practical utilization of psychiatric knowledge. Such aid would seem to fall, therefore, within the special purpose doctrine.

A more difficult case is the program for the disposal of surplus Government property which includes sectarian institutions. Certainly measured by the criteria set out in this memorandum, this program has in some instances approached and, it can be argued, has even transgressed constitutional boundaries. In most such cases, however, the property dis-

To what extent a special purpose provides constitutional legitimacy to assistance to elementary or secondary schools depends on the extent to which the specific objectives being advanced are unrelated to the religious aspects of sectarian education. The problem is complicated because assistance for one purpose may free funds which would otherwise be devoted to it for use to support the religious function and thus, in effect, indirectly yet substantially support religion in violation of the establishment clause. At the present time, the National Defense Education Act permits the U.S. Commissioner of Education to make loans to private schools to acquire science, mathematics, or foreign language equipment. We believe such loans are constitutional because the connection between loans for such purposes and the religious functions of a sectarian school seems to be nonexistent or minimal. Furthermore, the money is loaned at one-fourth of 1 percent above the current average yield on all outstanding marketable obligations of the United States, thus avoiding characterization as more than a grant of credit.

There may be some other special purposes for which loans would be equally defensible, but any specific proposal would have to be evaluated against the criteria discussed above.

In considering whether an existing governmental program or a given proposal for new governmental action exceeds constitutional limits of assistance to a religious institution, no single criterion is necessarily decisive. And none of the criteria we have discussed affords precise units of measurement susceptible of easy application. Nevertheless, each criterion is an aid to judgment. What is least likely to be constitutional can readily be distinguished from what is most likely to be constitutional. In forming a judgment as to legislative proposals in the middle ground, all relevant criteria must be accorded due consideration. Ultimately a judgment is required—not a doctrinaire conclusion as to what should be done or should not be done, but a reasoned consideration of how an imprecise statement of fundamental constitutional principles is likely to be applied to each particular factual situation.

#### V. HIGHER EDUCATION

This memorandum has discussed first amendment principles, relevant judicial decisions, and criteria for determining the constitutionality of specific legislative proposals all in the context of elementary and secondary education. Since proposals are currently being advanced in the field of higher education, it is appropriate to give consideration to the significantly different context in which any constitutional problem concerning these proposals might arise.

The constitutional principles involved are obviously the same whether the subject is elementary and secondary school education or higher education, but the factual circumstances surrounding the application of the principles are dramatically different. The reasons are largely historical.

The history of education in the United States at the grammar and high school level is largely one of free public schools. While private institutions exist and cannot be constitutionally prohibited, the fact of the matter is that some 85 percent of children in the United States are educated in public schools. The reason for this historically lies both in the public policy perceived in educating children and in the implementation of that policy by making education at the lower levels compulsory. In order to compel the education of children, States were obliged to provide a system of education which was open to all. In addition, it was prohibited to the States to teach religion or to give a religious education in such schools. Whatever other courses might have, in theory or even in fact, been possible, the States chose to implement their policy by a system of free public schools.

The history of college and university education is almost precisely the opposite. While from a relatively early date the Federal and some State governments subsidized State universities and colleges, the bulk of advanced education has until recently been carried on by private institutions, the majority of which have a religious origin.

Primary schooling has long been accepted as essential for every American child, and secondary education is rapidly becoming recognized as almost equally

---

posed of did not directly benefit the religious programs and training in sectarian schools. In any event the general language, the long history in similar preceding programs, and the legislative acquiescence in such disposal make quite clear the intention of Congress that sectarian institutions not be excluded altogether from the benefits of the program.



a necessity. Attendance at a university or college, on the other hand, has always been a matter of individual decision, dictated or influenced by the circumstances and preferences of the individual child and his family. Even today fewer than half of the high school graduates enter college on a full-time basis, and of these 41 percent are students in nonpublic institutions.<sup>19</sup>

Reflecting these differences in history and practice, State laws everywhere require school attendance of all children for a substantial period of years, whereas, needless to say, there is no corresponding requirement at the college level. Those children whose parents so elect may satisfy the compulsory attendance laws by attendance at private schools, but they are still subject to compulsion once that election has been made. The election can be reversed if the parents wish to do so—if not immediately, then at the start of the next school term or year—but while the election stands, the child is not absolved from enforced attendance at classes, secular or sectarian as the case may be.

The position of the college student is very different. His attendance is wholly voluntary, not merely a choice between alternative commands of the State. He is mature enough, moreover, to have made the decision to attend college and to select the institution best suited to his career objectives, or at least to have participated intelligently in those decisions. Furthermore, he can better understand the significance of sectarian as compared to secular teaching. At some sectarian institutions he is not required to study religion, but if he chooses to do so, or chooses an institution where religious instruction is mandatory, he is merely asserting his constitutional right to the "free exercise thereof."

There are thus important differences between school and college, not only in terms of history and tradition but also in terms of the compulsory nature of attendance. There are differences, too, from the standpoint of the national interest involved. At the college and graduate levels the public institutions alone could not begin to cope with the number of young men and women already in pursuit of higher education, and expansion of these institutions or the creation of new ones sufficient to meet the expected increase of enrollment is out of the question. The effort which it is agreed must now be made in the field of higher education would, if confined to public institutions, force an evermore intensive selection of students and evermore concentrated effort to guide them into fields of study deemed important to the national defense and welfare. It would likely induce these institutions to overemphasize particular fields of study to the detriment of a balanced curriculum. Such warping of our educational policies is not to be contemplated lightly, and, to the extent that Congress finds it appropriate to encourage expansion of our university and college facilities, Congress must be free to build upon what we have, the private as well as the public institutions.

All these considerations indicate that aid to higher education is less likely to encounter constitutional difficulty than aid to primary and secondary schools. The same considerations apply even more forcefully to graduate and specialized education.

The administration bill to assist higher education authorizes loans to institutions, without distinguishing between public and private ones or between those under secular and sectarian sponsorship. It also provides for college scholarships awarded on a competitive basis. These scholarships may be used at any accredited college which the recipient selects. In addition, the bill provides for the payment to the college of a "cost of education" allowance to supplement the scholarship.

Governmental assistance directly to colleges for the construction and expansion of academic facilities perhaps raises, in the case of sectarian institutions, a closer constitutional question than scholarships. Fundamentally the distinction between assistance to sectarian colleges and assistance to sectarian elementary and high schools rests upon differences between the educational system which exists in the United States at the college and graduate school level and the predominantly free public educational system at the elementary and secondary school level. These differences create importantly different factual circumstances against which the criteria previously discussed must be considered to determine the constitutional question.

---

<sup>19</sup> The U.S. Department of Health, Education, and Welfare, Office of Education, estimates that of those who graduate from high school, 43 percent enter college on a full-time basis and 10 percent on a part-time basis. Of those who do enter, approximately 60 percent eventually graduate.

We are not, at the college level, dealing with a system of universal, free, compulsory education available to all students. The process is more selective, the education more specialized, and the role of private institutions vastly more important. There are obvious limitations upon what the Government can hope to accomplish by way of expanding public or other secular educational facilities. If the public purpose is to be achieved at all, it can only be achieved by a general expansion of private as well as public colleges, of sectarian as well as secular ones.

Loans for construction of facilities may be less constitutionally vulnerable than grants for the same purposes. But this distinction is not here the only one or perhaps even the crucial one. More important are the distinctive factors present in American higher education: the fact that the connection between religion and education is less apparent and that religious indoctrination is less pervasive in a sectarian college curriculum; the fact that free public education is not available to all qualified college students; the desirability of maintaining the widest possible choice of colleges in terms of the student's educational needs in a situation no longer limited by the necessity of attending schools located close to home; the extent to which particular skills can be imparted only by a relatively few institutions; the disastrous national consequences in terms of improving educational standards which could result from exclusion of, or discrimination against, certain private institutions on ground of religious connection; and the fact that, unlike schools, the collegiate enrollment does not have the power of State compulsion supporting it.

All of the foregoing factors related to higher education are, of course, relevant to the scholarship grants. In addition, the decision as to which college is attended is entirely controlled by the student.

The additional cost-of-education grant paid to the institution is also, in effect, closer to a scholarship than a grant to support the institution chosen. Tuitions vary among colleges owing both to cost differentials and the size of endowment and annual private or public subsidy, but invariably the cost of education exceeds the tuition charged. It is to take account of this fact that the scholarship grant is supplemented by a cost-of-education allowance. In essence, it too is subject to the student's, not the Government's, educational choice.

The payment to the institution is in reality merely a supplement to the scholarship, no less valid constitutionally than the scholarship itself. To regard such payments as unconstitutional would make the question of who receives the payment the one decisive criterion and sacrifice substance to form.

Weighing all these factors, we conclude that the administration's proposals for higher education are within constitutional limits.<sup>20</sup>

## VI. JUDICIAL REVIEW

The constitutionality of existing Federal legislation which confers some incidental benefits upon sectarian educational institutions has never been tested in the courts. Federal spending legislation ordinarily carries no provisions for judicial review. In the absence of such provisions, the only challenges to spending legislation usually come in the form of suits by individual taxpayers. These litigants lack standing sufficient to sue in a court of the United States, and where a party to a lawsuit lacks sufficient standing, there is no "case or controversy" which the Federal courts may decide. This requirement of a "case or controversy" is imposed upon the Federal courts by article III of the Constitution, and there appears to be no way in which legislation can dilute this requirement.

The Federal rule with regard to standing to sue on the part of a taxpayer was established in 1923 in the case of *Massachusetts v. Mellon* (262 U.S. 447), and is significantly different from the position of a taxpayer in a municipality. In that case, Mr. Justice Sutherland distinguished the two positions as follows:

"But the relation of a taxpayer of the United States to the Federal Government is very different. His interest in the moneys of the Treasury—partly realized from taxation and partly from other sources—is shared with millions of others; is comparatively minute and indeterminable; and the effect upon

<sup>20</sup> It should be pointed out that decisions of the Supreme Court discussing other problems in the field of education have emphasized that different considerations apply to higher education as against elementary and secondary education. Contrast *Hamilton v. Regents*, 293 U.S. 245 (1934) (higher education) with *Bolling v. Sharpe*, 347 U.S. 297 (1954); *Brown v. Board of Education*, 347 U.S. 483 (1954); *Board of Education v. Barnette*, 319 U.S. 624 (1943) (elementary and secondary education).



future taxation, of any payment out of the funds, so remote, fluctuating and uncertain, that no basis is afforded for an appeal to the preventive powers of a court of equity" (262 U.S., at 487).

The Federal courts are similarly barred from considering an appeal from a State court where a taxpayer's interest is not substantial (*Doremus v. Board of Education*, 342, U.S. 429 (1952)).

Because of the rule in *Massachusetts v. Mellon*, existing Federal aids to education to have presumably been immune to attack in the courts on the ground that they violate the Constitution. There is, therefore, no significance to be attributed to the fact that the existing programs have not been litigated. We can regard them as precedents only for what the Congress and the President, not the Supreme Court, regard as within the first amendment.

If Congress wishes to make possible a constitutional test of Federal aid to sectarian schools, it might authorize judicial review in the context of an actual case or controversy between the Federal Government and an institution seeking some form of assistance.

For example, Congress could direct the Commissioner of Education to make some benefit available to private schools with a requirement that such benefit shall not contribute to an establishment of religion or prohibit the free exercise thereof. The same legislation would also provide for a hearing on a written record of any application rejected and a statement of findings by the Commissioner. The Commissioner's decision rejecting any application for a benefit would be made subject to judicial review. If the Commissioner were to reject the application of a sectarian school on the ground that extending the benefit would violate the statutory provision embodying the prohibition of the first amendment, the applicant could then in effect litigate the constitutional question in court.

In the absence of some such statutory provisions, there appears to be no realistic likelihood that Federal legislation raising the constitutional issues discussed in this memorandum will be resolved by judicial decision.

ALANSON W. WILLCOX,  
*General Counsel, Department of Health, Education, and Welfare.*

---

## APPENDIX A

### BIBLIOGRAPHY

#### FEDERAL AID TO EDUCATION

##### I. BOOKS

Beth, Loren P. *The American Theory of Church and State*. Gainesville: University of Florida Press (1958).

Blanshard, Paul. *God and Man in Washington*. Boston: Beacon Press (1960).

Brady, Joseph H. *Confusion Twice Confounded: The First Amendment and the Supreme Court*. South Orange: Seton Hall University Press (1955).

Chambers, M. M. *The Colleges and the Court 1946-50*. New York: Columbia University Press (1952).

Corwin, Edwin S. *The Supreme Court as National School Board*. (Reprinted from *Thought—the Fordham University Quarterly*) (1948).

Cunningham, Merrimon. *Freedom's Holy Light*. New York: Harper & Bros. (1955).

Fund for the Republic. *Religion and the Schools*. New York (1959).

Hintz, Howard W. *Religion and Public Higher Education*. New York: Brooklyn College (1955).

Howe, Mark D. *Cases on Church and State in the United States*. Cambridge: Harvard University Press (1952).

Johnson, A. W. and Yost, F. H. *Separation of Church and State in the United States*. Minneapolis: University of Minnesota Press (1948).

Kenney, Charles B. *Church and State, the Struggle for Separation in New Hampshire*. New York: Columbia University (1955).

Mott, Rodney L. *The First Freedom*. Hamilton: Colgate University Press (1960).

- Mugge, Giovanni. *Religious Liberty*. New York: Association Press (1957).
- O'Brien, F. William, S.J. *Justice Reed and the First Amendment*. Washington: Georgetown University Press (1958).
- O'Neill, James M. *Religion and Education Under the Constitution* (1949).
- Parsons, Wilfred, S. J. "The First Freedom." Declan X. McMullen Co. (1948).
- Pfeffer, Leo. "Church, State, and Freedom." Boston: Beacon Press. (1953).
- Pfeffer, Leo. "The Liberties of an American." Boston: Beacon Press. (1956).
- Powell, Theodore. "The School Bus Law." Middletown: Wesleyan University Press (1960).
- Rogge, O. John. "The First and the Fifth." New York: Thomas Nelson & Sons (1960).
- Schwartz, Bernard. "The Supreme Court." New York: The Ronald Press. pp. 257-63 (1957).
- Zabel, Orville H. "God and Caesar in Nebraska: A Study of the Legal Relationship of the Church and State." University of Nebraska Studies Series 14 (1955).

## II. LEGAL PERIODICALS

- "Religion and the State," a symposium, 14 *Law and Contemporary Problems* 1-159 (1949).
- "The Right To Educate," a symposium, 4 *Catholic Lawyer* 196-243 (1958).
- Beth, "The Wall of Separation and the Supreme Court" 38 *Minnesota L. Rev.* 215 (1954).
- Blum, "Religious Liberty and Bus Transportation" 30 *Notre Dame Lawyer* 384 (1955).
- Boyer, "Public Transportation of Parochial School Pupils" 1952 *Wisconsin L. Rev.* 64.
- Cagle, "Public Aid for Sectarian Schools" 2 *Baylor L. Rev.* 1959 (1950).
- Cosway and Toepper, "Religion and the Schools" 17 *University of Cincinnati L. Rev.* 117 (1948).
- Costanzo, "Federal Aid to Education and Religious Liberty" 36 *University of Detroit L. J.* 1 (1958).
- Cushman, Robert F. "Public Support of Religious Education in American Constitutional Law" 45 *Northwestern University L. Rev.* 333 (1950).
- Fellman, "Separation of Church and State in the United States: A Summary View" 1950 *Wisconsin L. Rev.* 427.
- Hayes, "Law and the Parochial School: A Formulation of Conflicting Interests" 3 *Catholic Law* 99 (1957).
- Henle, "American Principles and Religious Schools" 3 *St. Louis University L. J.* 237 (1955).
- Katz, "Freedom of Religion and State Neutrality" 20 *University of Chicago L. Rev.* 426 (1953).
- Kauper, "Church, State and Freedom: A Review" 52 *Michigan L. Rev.* 829 (1954).
- Moehlman, "The Wall of Separation: The Law and the Facts" 38 *A.B.A.J.* 281 (1952).
- Pfeffer, "Church and State: Something Less than Separation" 19 *University of Chicago L. Rev.* 1 (1951).
- Pfeffer, "No Law Respecting an Establishment of Religion" O'Neill, "Non-preferential Aid to Religion is Not an Establishment of Religion" *A Debate* 2 *Buffalo L. Rev.* 225, 242 (1953).
- Pfeffer, "Released Time and Religious Liberty: A Reply" 53 *Michigan L. Rev.* 91 (1954).
- Schmidt, "Religious Liberty and the Supreme Court of the United States" 17 *Fordham L. Rev.* 173 (1948).
- Serko, "Religion and the New York Public Schools" 12 *Intramural L. Rev.* (New York University) 235 (1956).
- Sutherland, "Due Process and Disestablishment" 62 *Harvard L. Rev.* 1306 (1949).
- Taylor, "Equal Protection of Religion: Today's Public School Problem" 38 *A.B.A.J.* 277 (1952).
- Waite, "Jefferson's 'Wall of Separation': What and Where?" 33 *Minnesota L. Rev.* 494 (1949).
- Weclew, "Church and State: How Much Separation?" 10 *DePaul L. Rev.* 1 (1960).
- Note, "Catholic Schools and Public Money" 50 *Yale L.J.* 917 (1941).

*A. Comments on the Everson case*

McCarthy, "The Application of the First Amendment to the States by the 14th Amendment to the Constitution" 22 Notre Dame Lawyer 400 (1947).

O'Brien and O'Brien, "Separation of Church and State in Restatement of Inter-church-and-State Common Law" 7 Jurist 259 (1947).

Pfeffer, "Religion, Education and the Constitution" 8 Lawyers Guild Rev. 387 (1948).

Stout, "The Establishment of Religion Under the Constitution" 37 Ky. L. Rev. 220 (1949).

Volmeier, "Legal Issues in Pupil Transportation" 20 Law and Contemporary Problems 45 (1955).

1. Student comments and notes:

Note, 27 Boston U. L. Rev. 281 (1957).

Note, 49 Colum. L. Rev. 836 (1949).

Note, 33 Cornell L. Q. 122 (1947).

Note, 51 Dickenson L. Rev. 361 (1947).

Note, 15 Geo. Wash. L. Rev. 361 (1947).

Note, 60 Harv. L. Rev. 793 (1947).

Note 32 Iowa L. Rev. 769 (1947).

Notes, 36 Ky. L. J. 324, 328 (1948).

Note, 8 La. L. Rev. 136 (1947).

Comment, 45 Mich. L. Rev. 1001 (1947).

Note, 31 Minn. L. Rev. 739 (1947).

Note, 12 Mo. L. Rev. 465 (1947).

Note, 27 Nebr. L. Rev. 468 (1958).

Note, 22 N.Y.U. L. Rev. 331 (1947).

Note, 25 N.C. L. Rev. 330 (1947).

Comment, 27 Ore. L. Rev. 150 (1948).

Note, 21 St. John's L. Rev. 176 (1947).

Comment, 21 So. Calif. L. Rev. 61 (1947).

Note, 96 U. Pa. L. Rev. 230 (1947).

Note, 33 Va. L. Rev. 349 (1947).

*B. Comments on the Zorach and McCollum cases*

Drinan, "The Novel 'Liberty' Created by the McCollum Decision" 39 Geo. L. J. 216 (1951).

Manion, "The Church, the State and Mrs. McCollum" 23 Notre Dame Lawyer 456 (1948).

Owen, "The McCollum Case" 22 Temp. L. Q. 159 (1948).

Reed, "Church-State and the Zorach Case" 27 Notre Dame Lawyer 529 (1952).

1. Student comments and notes:

Note, 52 Colum. L. Rev. 1033 (1952).

Note, 17 Geo. Wash. L. Rev. 516 (1949).

Note, 16 Geo. Wash. L. Rev. 556 (1948).

Note, 28 Geo. Wash. L. Rev. 579 (1960).

Comment, 43 Ill. L. Rev. 374 (1948).

Note, 37 Ky. L. J. 402 (1949).

Comment, 32 Marq. L. Rev. 138 (1948).

Comment, 50 Mich. L. Rev. 1359 (1952).

Note, 3 Rutgers U. L. Rev. 115 (1949).

Comment, 22 So. Calif. L. Rev. 423 (1949).

Comment, 9 Wash. & Lee L. Rev. 213 (1952).

Note, 61 Yale L. J. 405 (1952).

Note, 57 Yale L. J. 1114 (1948).

---

APPENDIX B

DESCRIPTION OF SOME REPRESENTATIVE COMMENTS ON THE EVERSON, MCCOLLUM,  
AND ZORACH CASES

The views of the scholars who have commented on the *Everson*, *McCollum*, and *Zorach* cases fall roughly into three categories: (1) The view that an inflexible doctrine of separation has the effect of restraining religious freedom in violation of the first amendment and that the holding in *Everson* was correct as far as it went and logically should be extended to permit governmental aid to children attending sectarian schools; (2) the view that the separation must be

absolute and that *Everson* was therefore incorrectly decided; and (3) the view that there is room for cooperation between church and state so that governmental aid for education is not invalid because sectarian schools receive incidental benefits, provided that the aid is aimed at achieving a broad public purpose.

1. *The view that extensive Federal aid is constitutionally permissible.*—At present there are about 6,752,000 elementary and secondary school pupils in non-public schools.<sup>1</sup> Of these more than 80 percent are in Roman Catholic schools.<sup>2</sup> Confronted by rising costs in the economy generally and in education specifically, Catholic parents contend that in effect they are subject to double taxation. Although some Catholic spokesmen disclaim any attempts to obtain general public school support of religious schools because they believe it may endanger religious liberty and hence would be satisfied with long-term, low-interest loans,<sup>3</sup> there are others who would like to see far more pervasive Federal aid to sectarian schools and the "child-benefit" theory extended to include aid either to the sectarian institution itself or to the parent.

For example, Professor Weclaw is of the opinion that as from the standpoint of public welfare no distinction can be drawn in Federal aid to education between the university and elementary school levels.<sup>4</sup> He says:<sup>5</sup>

"Health, emotional stability, and literacy come more and more to be recognized as community assets in which government has a vital concern. These assets should be developed and not simply ignored as far as private schools are concerned because parents exercise their constitutional right to send their children to religious schools. Programs promoting these matters of vital concern when set up in religious schools leave the State and children as beneficiaries, and the religious schools only benefit incidentally."

After enumerating various programs under different acts of Congress which have provided assistance both to sectarian institutions and to the individuals utilizing sectarian institutions, Weclaw concludes:<sup>6</sup>

"We can only conclude that the wall of separation is permeable, lacks definite boundaries, and is of uncertain height. Time, place, circumstances, and subject matter determine what degree of separation there shall be. There are areas where none will deny that the maximum degree of separation is best for all. There are areas where separation is unnecessary, undesirable, or impossible."

The opinion frequently expressed by the supporters of all-out aid to parochial schools is that the existing restrictive system actually operates to abridge the first amendment's guarantee of freedom of religion. They say that where the Catholic parent has no real choice under existing laws but to violate his conscience because compelled by economic pressures to send his children to a public school, then the law has fallen short of protecting religious liberty for all—poor and rich alike.

This view, vigorously espoused by Professor Henle,<sup>7</sup> is as follows:

"We cannot, as Americans, simply say that this religious scruple is their own affair; that they may come to the public schools if they want aid, but, if they choose not to do so, that's their own affair. This religious conscience is one of the factors in the case and must be taken into account by the Government. Religious liberty and the prohibition of religious qualifications are meaningless unless they relate to the precise peculiarities of each type of conscience. Hence, our courts have shown a punctilious and precise concern to protect the consciences even of minorities commonly regarded as extremists"

\* \* \* \* \*

<sup>1</sup> U.S. Department of Health, Education, and Welfare, Office of Education: "Projected Enrollments in Full-Time Public and Nonpublic Elementary and Secondary Day Schools." The figure for nonpublic schools is 15.2 percent of the estimated total of schoolchildren, kindergarten through grade 12, there being approximately 37,551,000 children in public schools. The total estimated enrollment, public and nonpublic, is 44,303,000.

<sup>2</sup> Based on data from "Summary of Catholic Education, 1959," National Catholic Conference, Department of Education, Washington, D.C., which states that the October 1959 enrollment in Catholic elementary and secondary schools was 5,087,197. When projected this indicates 1960-61 enrollments in the neighborhood of 5,240,000.

<sup>3</sup> Rev. Nell G. McCluskey, S.J., editor of the Catholic monthly, *America*, quoted in the *New York Times*, Mar. 12, 1961, p. E9.

<sup>4</sup> Weclaw, "Church and State: How Much Separation," 10 *De Paul, L.J.* 1, 19-21 (1960).

<sup>5</sup> *Id.* 21.

<sup>6</sup> *Id.* 26.

<sup>7</sup> Henle, "American Principles and Religious Schools," 3 *St. Louis U.L.J.* 237 (1955).

"It might be said that the economic pressure is no concern of the State. Yet, it is our concern as Americans not to render lipservice to an abstract religious liberty, but to work it out and safeguard it in the concrete. As a matter of fact, in the area of labor law, the courts have recognized 'economic pressure' as destroying any real choice when it is actually present. If, in the factual situation, there is no real choice, under the law, except to violate one's conscience, then the law is not safeguarding religious liberty. And this is the worst form of religious discrimination, because it allows true religious liberty only to those who can afford it. American ideals demand an arrangement which will allow religious liberty for each man's conscience, for Catholic, Protestant, Jew, and unbeliever, for rich and poor alike" (p. 248).

Under Henle's theory, State aid should be made available to parents whose children go to sectarian schools in the same way as it is to those parents whose children go to public schools.

He says:

"We are thus faced with this practical situation: American ideals and principles demand that the educational aid, intended to be made available to all through the public school, should actually be made available to all American children whether they attend a public school or, for reasons of conscience, a religious school. The Lutheran parent or child, the Catholic parent or child, the Seventh Day Adventist parent or child, and so forth, who need and want this aid, are entitled to an equivalent share of public aid from the funds to which they also contribute under the law" (p. 248).

Under Henle's views, a precedent is the program of veteran's educational benefits, except that he would permit the choice of school to be made by the parent rather than by the student:

"In a similar manner we could work out a plan envisioning the child or parent as the beneficiary of all funds collected for educational purposes; if the parent selected the public school the funds can be made available through the public school; if, for conscience reasons, the parent selected a religious school, the fees (to a fair amount) could be paid in the name of the child or parent and in view of the education, not of the religious functions of the institution" (p. 251).

Cast in somewhat different language, the argument for "proportionate aid" to sectarian schools is that the general welfare clause of the Constitution (art. I, sec. 8), which is the basis for Federal aid to education, should not be construed as requiring religious considerations as a standard for inclusion for exclusion of beneficiaries. In this connection, Professor Costanzo says:<sup>8</sup>

"Federal aid to education which excludes religious schools from its beneficiaries precisely because of their religious profession and affiliation may place Congress in the incongruous role of promulgating a law prejudicial to the 'free exercise thereof' clause; of establishing a preferential status for a secularized education as more worthy of its benefits than religious education, and find itself in the unenviable position of constructively setting a religious test as a norm for inclusion amongst the beneficiaries in the exercise of its general welfare powers, and, lastly, allow, if not actually intend, that exercise of religious liberty in education become a liability before the law in the disbursement of the benefits of the law. This would convert the 'no establishment' clause into an affirmative official action in favor of nonreligious education."

2. *The view that absolute separation is constitutionally required.*—A leading exponent of the absolute separation doctrine is Leo Pfeffer whose book, "Church State and Freedom" (1953), is widely known and cited. Pfeffer draws heavily on the dissents of Justices Jackson and Rutledge in the *Everson* case in challenging the conclusion reached by the majority of the Court that by furnishing bus transportation to pupils attending sectarian schools, the State is doing no more than it does when it provides police protection for children crossing the street or when it supplies fire protection:

"It is submitted that both these assumptions rest on fictions. As both dissenting opinions, by Justices Jackson and Rutledge, point out, the New Jersey statute and the Ewing resolution do not provide transportation for children on the streets: they provide transportation only for children going to school, either to a public school or to a Catholic parochial school. A child going to visit a neighbor or to a motion picture theater is just as much subject to the hazards

<sup>8</sup> Costanzo, "Federal Aid to Education and Religious Liberty," 36 U. Det. L.J. 1, 42 (1958).

of the road as a child going to school. Yet New Jersey did not make any provision for the transportation of children going to any destination other than school—public or parochial. If New Jersey had so provided, none would dispute that the purpose of the legislation was to provide welfare benefits—indisputably within the State's police power. Since it was restricted to school transportation, it would seem clear that the purpose of the legislation was to provide an educational service.

"It would therefore seem fallacious to equate—as Justice Black did—bus transportation and police or fire protection. The purpose of supplying traffic police is to protect children from accidents; all children are protected, Catholics and Protestants, believers and nonbelievers. The purpose of supplying fire protection is to preserve society's economic assets, whether in the form of church buildings or burlesque theaters. But the purpose of supplying bus transportation is to get children to school, not (at least, primarily) to protect them from traffic hazards."<sup>9</sup>

So too, Pfeffer finds strong support in Justice Jackson's dissent in *Everson* in his (Pfeffer's) opposition to the argument that Catholic parochial schools provide the secular education which the State is empowered to provide. In the same vein, Pfeffer says:<sup>10</sup>

"These authoritative church writings leave little doubt that the education received in Catholic parochial schools is not the secular education which a State may constitutionally provide or pay for."

In Pfeffer's view, if reimbursement for bus transportation may be justified under the State's police power to provide for the welfare of children, so may other expenditures of a similar character: fireproofing sectarian schools; repair of unsafe walls and ceilings, their replacement, and the like.<sup>11</sup>

Despite his strong views respecting various aspects of parochial education, Pfeffer, as well as others in the "absolute separation" school, is able to distinguish the assistance discussed above from the aid rendered by a State in providing free medical and dental services or free hot lunches to children in parochial schools:

"These are not educational services but true welfare benefits. A child needs medical and dental care and hot lunches, whether he goes to a public school, to a parochial school, or to no school at all. But he does not need transportation to a school unless he receives instruction at that school; and only in that case is his safety and health protected if the school building is fireproof and the rooms warm and ventilated."<sup>12</sup>

Professor Konvitz of Cornell University may be considered as another advocate of absolute separation. He has tried to answer the arguments of Father Wilfred Parsons<sup>13</sup> that parochial schools, insofar as they satisfy Government standards for the teaching of secular subjects, should receive financial support to pay the costs of those teaching these subjects. The thrust of Konvitz's argument is that under official Catholic doctrine all the teaching and the whole organization of the school, including teachers and books, are under the supervision of the church; that religion is the foundation of the student's training not only in the elementary school but in the intermediate and higher institutions of learning as well.<sup>14</sup> It is from education in the parochial school that there springs Catholic growth, cohesion, discipline, and loyalty. Konvitz says:

"When this official philosophy of Catholic education is considered, it becomes clear why any form of public aid to parochial schools is a violation of the Constitution, a breakdown of the separation of church and state."<sup>15</sup>

Konvitz concedes, as Father Parsons suggests, that Americans may not be logical when they refuse public aid to parochial schools yet recognize them as fulfilling the requirements of compulsory education. But Konvitz asserts "the departure from a narrow logic has been in the interests of a broad liberty. \* \* \* Just as 'complete separation between the state and religion is best for the state and best for religion,' so, too, the liberty of religious groups to maintain their own schools is 'best for the state and best for religion.'"<sup>16</sup>

<sup>9</sup> Id., 474-475.

<sup>10</sup> Id., 475.

<sup>11</sup> Id., 476.

<sup>12</sup> Id., 477.

<sup>13</sup> Parsons, "The First Freedom: Considerations on Church and State in the United States" (1948).

<sup>14</sup> Konvitz, "Separation of Church and State: The First Freedom," 14 Law and Contemp. Prob. 44, 58-59 (1949).

<sup>15</sup> Id., 59.

<sup>16</sup> Id., 59. This is similar to Justice Jackson's view in *Everson*. See 330 U.S. 27.



In accord with some of the views advocating "absolute separation" are various articles prepared by the editorial staffs of the law reviews. One in the University of Pennsylvania Law Review says:<sup>17</sup>

"The strictest limitation upon governmental aid to religious institutions is required by the language, the historical content, and the present validity of American constitutional provisions. The principle is clear and undisputed that formal interrelation of church and state institutions is prohibited by the letter and spirit of these provisions. Once established, the principle should be preserved intact against indirect as well as direct abridgement. To support the doctrine of separation is not to advocate irreligion but to maintain institutionally a separation of functions the fusion of which has invariably destroyed the usefulness of both institutions according to democratic standards. \* \* \*

"The *Everson* case indicates that a court appraising auxiliary services like transportation to sectarian schools in terms of a present danger of substantial intercontrol of church and state may circumvent the restriction. Logically, however, if such services are public functions justifying state support, then the public welfare feature of sectarian education itself provides an even stronger claim to state support; but there is no judicial dissent from the view that such direct support is proscribed by both Federal and State Constitutions.

"The use of governmental authority, financial or persuasive, to aid or hinder religious institutions directly or indirectly should be prohibited under the establishment clause of the first amendment."

Another article emphasizes that it is not easy to seal the wall between church and state once it has been pierced in the name of the public welfare:<sup>18</sup>

"Teaching of nonreligious courses in religious schools, and the standard of such instruction, is certainly for the public interest—cannot the State then pay to that extent the salaries of religious teachers? \* \* \* Physical fitness of American youth is a matter of public concern—can the State not, under the *Everson* case, build gymnasiums and furnish nurses to parochial schools? \* \* \* The majority opinion in the *Everson* case suggests no line which would be drawn. It serves but one purpose—to enunciate a doctrine which amounts to a tool for the circumvention of the absolute prohibition against establishment of religion in the first amendment."

3. The "intermediate" position.—In contrast to the two positions discussed above, there is considerable sentiment among legal scholars for a more moderate position which it is claimed would strike a fair balance between competing interests.

Professor Katz of the University of Chicago Law School originally suggested that, in order to protect the freedom of parents in their choice of schools, a tax deduction of some kind for tuition paid to such schools would be permissible but that affirmative aid to religion should be avoided.<sup>19</sup> He would now go further in the use of tax funds for religious schools upon the theory that the use thereof is not really aid to religion but rather chiefly aid to education, so long as the State's standards for education are satisfied by the religious schools. He says:

"If one assumes that the religious schools meet the State's standards for education in secular subjects, it is not aid to religion to apply tax funds toward the cost of such education in public and private schools without discrimination. Like the dissenters in the *Bus Fare* case, I am not now able to distinguish between the minor payments there involved and payments for educational costs. I believe, therefore, that none of such nondiscriminatory uses of tax funds are forbidden by the first amendment."

He admits, however, that his position would be a most unpopular one generally and be subject to attack upon various grounds.<sup>20</sup>

"The widespread rejection of the position just defended may be explained in a number of ways. It may reflect a general bias in favor of Government operation for any activity which is to be supported with tax funds. It may reflect a specific bias in favor of public education with only grudging concession of freedom for private schools. It may reflect skepticism as to the quality of education in religious schools and as to the feasibility of enforcing standards. It may reflect distrust of the position of the Roman church as to religious liberty. It may reflect a conviction that the problem is too explosive to be left to ordi-

<sup>17</sup> Note "Public Aid to Establishments of Religion," 96 U. Pa. L. Rev. 230, 240-241 (1947).

<sup>18</sup> Comment, 21 So. Cal. L. Rev. 61, 75 (1947).

<sup>19</sup> Katz, "Freedom of Religion and State Neutrality," 20 U. Chi. L. Rev. 426, 440 (1953).

<sup>20</sup> *Id.*, 440.



nary political processes and that the usual principle of state neutrality must, at this point, yield to a principle of absolute and hostile separation."

Prof. Robert F. Cushman believes that since the *Everson* decision the problem of aid to sectarian schools is cast in a different light:<sup>21</sup>

"It becomes clear that the crucial issue is not aid to the child versus aid to school; it is not even the question of whether religion is being aided; the real question is, as it has always been, how do you distinguish aid to the public in general from aid to religion in particular. Religion does and should, as part of the public, share in the benefits extended to the public in general. To hold otherwise is to adopt a position which would permit the state to make of religion an outlaw having no rights which the law is bound to protect. The question, then, is under what circumstances and in what way do religious institutions become part of the public in general.

"The difference between providing police protection and providing teachers does not lie in the identity of the beneficiary but in the way in which the aid is extended. Aid is not normally extended to individuals or institutions by name, but rather to groups or classes of individuals or institutions. Any individual or institution falling under the restrictions of the law, or falling heir to its benefits, does so only as a member of such a group. An individual may be a pupil, a pedestrian, a property owner, and a parent. A church is at once a corporation, a piece of property, a building, a meeting place, a religious institution and a nonprofit institution. Furthermore, a church may receive police protection when classed as property, tax exemption when classed as a nonprofit institution, sewage connections when classed as a building, and yet be denied financial aid when classed as a religious institution, since such a class may not validly be given public aid. Since the aid goes to groups rather than the individual components of any one group, the eligibility of an institution to receive public aid would seem to depend on which group it is classed in, rather than on its individual characteristics (p. 348).

"The Constitution, according to the Court, does not forbid all aid to religious institutions. They may receive fire and police protection. What the Constitution forbids is aid to the religious function, and the Court in the *Everson* case divided over the question whether this function was in fact being aided. This being the case, if a State wished sincerely to protect the safety of its children, it could set up children's buses on which any child could ride, whether going to a parochial school or to the movies. To insure the health of its children it could provide free lunches, dental and medical care for all children. To improve their minds and morals it could provide free books, museums, and libraries. These aids would be available to all children regardless of the school they attended, or whether or not they attended school. The aid would truly be to children (a group which the State may validly aid) irrespective of the religious activity of the individual concerned" (pp. 348-349).

Under Professor Cushman's view, constitutional questions would be avoided through legislation which would provide aid for all children of the State, without earmarking it as assistance to children enrolled in schools, both public and religious:

"When, however, the State undertakes to aid just pupils and schools it is no longer aiding all children and all buildings. It is aiding only those identified with the function of institutionalized education, since pupils and schools are groups set up for the sole purpose of identifying certain children and institutions with the function of education. Aid to these groups, then, becomes aid directly to the function for which they are set up. Where school buses are extended to schools, or pupils, they are in aid to the function of education. Where this includes parochial schools and pupils this becomes aid to the function of religious education" (p. 349).

"As the majority in the *Everson* case pointed out, a State cannot aid religion, but it cannot be denied the right to aid all its children even though some of them attend religious schools. A State statute so drawn as to provide aid to all children as a group, regardless of what that aid might be, would be exceedingly difficult to attack on constitutional grounds as an aid to religion. Thus a State which provided medical service and books to all the children in the State would be virtually assured of the validity of its action. Where, however, a State limits its aid to children enrolled in schools, and this includes both public and religious schools, it lays itself open to the charge that it is aiding two kinds

<sup>21</sup> Robert F. Cushman, "Public Support of Religious Education in American Constitutional Law," 45 Nw. U.L. Rev. 333, 347, 348 (1950).

of education, secular and religious, and religious education is something which the States are forbidden to aid" (p. 349).

Still another approach has been advanced by Judge Fahy. After citing various precedents, both judicial and legislative, he said:<sup>22</sup>

"Consistent with these views on the place of religion in our national life is the established rule that public funds may be used to pay for services rendered, notwithstanding the fact that the payment is to a religious organization. It is immaterial that tax-raised funds are paid to these individuals or organizations by way of reimbursement for money spent by them in furtherance of a public program. Illustrations of existing or possible arrangements of this type include payments by local governments to denominational hospitals, conducted by religious orders or otherwise, for medical services rendered to those entitled to receive such service at public expense; and expenditures by the Federal Government toward the construction of or additions to denominational hospitals, under the Hospital Construction Act.

"The same concept has been applied in the field of education. Federal Government payments to a denominational college for teaching of training draftees or veterans, even including training for the clergy, is authorized by the GI bill of rights."

A student note in the Yale Law Journal suggests other standards for achieving a fair and valid result in borderline cases. It was said:<sup>23</sup>

"One method of qualifying the *Everson* absolute throughout would be to balance the public benefit in each instance against the aid to religion. Inculcation of moral principles, for instance, may well be found to outweigh the sectarian nature of New York 'released time' or religious exercises, even though insufficient to qualify as a full-fledged 'public purpose' of the *Everson* variety."

Based upon the dissent of Justice Reed in *McCullum v. Board of Education*, *supra*, at 248-249, that the *Everson* decision did not intend to preclude religious bodies from receiving incidental advantages with other groups similarly situated obtain as a byproduct of organized society, the Yale Law Review note continues:<sup>24</sup>

"Even more far reaching is the method suggested in Mr. Justice Reed's dissent, which would remove the need for any propitiating justification where the 'aid' was merely a 'byproduct of organized society' and not 'purposeful assistance directly to the church itself or to some religious group \* \* \* performing ecclesiastical functions.' Such a modification would transcend piecemeal exceptions by shifting the entire wall to a position where practices involving no direct expense to the State, such as 'released time' and the use of public buildings for sectarian meetings, could easily be sustained. And direct expenditures, which theoretically are barred by the precept that no tax whatever can be constitutionally 'levied to support religious activities,' could be validated by a parallel definition of the word 'support.' While this approach was not specifically negated by the majority or concurring opinions, the 8 to 1 decision over Mr. Justice Reed's dissent indicates that the Court would be reluctant to relax its *Everson* prohibition to such an extent. The essence of this concept, however, might well be accepted in diluted form by construing State 'neutrality' toward religion, which technically seems to save only those benefits in which all share, broadly enough to uphold desirable types of insignificant aid which could not be logically sustained on less drastic grounds."

Senator MORSE. I have no doubt that questions asking whether any form of Federal aid to education is legal from a constitutional standpoint will be raised. I think that the administration should prepare itself by submitting to this subcommittee its brief in regard to that matter.

And, lastly, I would like to have the administration submit a memorandum, rather than a brief, containing a digest of the Federal aid which now goes to private institutions, denominational and otherwise, in this country, to hospitals, institutions of higher learning, private foundations, and the like, because I feel we ought to meet this issue. The American people are entitled to have us meet this issue

<sup>22</sup> Fahy, "Religion, Education, and the Supreme Court," 14 Law and Contemp. Prob. 72, 82 (1949).

<sup>23</sup> Note, "Tracing the 'Wall': Religion in the Public School System," 57 Yale L.J. 1114, 1121 (1948).

<sup>24</sup> *Id.*, 1121.

head on. They are entitled to receive in this historic debate this year, if we possibly can provide it, a clarification of this matter once and for all.

(The memorandum referred to follows:)

#### FEDERAL PROGRAMS UNDER WHICH INSTITUTIONS WITH RELIGIOUS AFFILIATION RECEIVE FEDERAL FUNDS THROUGH GRANTS OR LOANS

Attached is a description of Federal programs under which educational institutions with religious affiliation receive Federal funds through grants or loans. The following should be kept in mind in using this material:

1. Payments to institutions for which the United States receives a quid pro quo in a proprietary sense are outside the scope of the attached listing. However, Federal programs are so diverse that a clear line in this respect is not always possible, and many programs, not listed here because the Federal Government receives such a quid pro quo, are frequently of benefit to institutions.<sup>1</sup>

2. Programs to pay institutions for training Government civilian or military personnel are not included here. See, for example, 5 U.S.C. 2301 for a governmentwide employees' training program.

3. Except as noted under the last paragraph of the description of programs of the State Department, and in the case of payments by the Department of the Interior for the education of Indian children, educational institutions with religious affiliation participate in all of the programs listed on the same basis as do other nonpublic institutions.<sup>2</sup>

#### DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

##### OFFICE OF EDUCATION

#### A. *National Defense Education Act programs*

1. National defense student loan program (NDEA (Public Law 85-864), sec. 201 et seq.; 20 U.S.C. 421 et seq.): Funds are made available by the Commissioner of Education under title II of the National Defense Education Act to enable public and private nonprofit institutions of higher education to make low-interest loans to needy students.

The Federal Government advances up to 90 percent of the capital needed for a loan fund at an institution.<sup>3</sup> In any fiscal year, the Federal capital contribution at any institution may not exceed \$250,000. The loan to an individual student may not exceed \$1,000 for a fiscal year and no student may borrow more than \$5,000 for all years. Special consideration must be given in providing loans to students with superior academic backgrounds who express a desire to teach in elementary or secondary schools (not necessarily those which are public) and students with strong academic backgrounds in science, mathematics, engineering, or a modern foreign language, but other students may also receive loans. Each note must provide that up to 10 percent of the loan (plus interest) will be canceled for each year of service as a full-time teacher in a public elementary or secondary school, but not more than 50 percent of a loan can be canceled in this manner.

2. National defense fellowships (NDEA (Public Law 85-864), sec. 404; 20 U.S.C. 464): Graduate programs in institutions of higher education are given quotas by the Commissioner of Education for the award of graduate fellowships.

<sup>1</sup> 42 U.S.C. 1891-1893 provides that authority to contract for basic scientific research at nonprofit institutions of higher education shall be deemed authority to make grants for that purpose. Furthermore, authority to make grants or contracts for basic or applied research at such institutions provides authority to vest in the institution title to equipment purchased with grant or contract funds, without further obligation to the Government.

<sup>2</sup> No statute has been found where authority to deal with nonpublic institutions excludes dealing with those with religious affiliation, except 25 U.S.C. 278, 279. That law declares "the settled policy of the Government to make no appropriation whatever out of the Treasury of the United States for education of Indian children in any sectarian school." Subsistence and clothing are provided for some children in such schools.

25 U.S.C. 280 authorized the Secretary of the Interior to issue a patent to religious organizations for lands used by them prior to Sept. 21, 1922, for mission or school purposes.

<sup>3</sup> The Commissioner may make loans to institutions to help them finance their required 10-percent advance to the loan fund, where such funds cannot be secured from non-Federal sources upon terms and conditions deemed reasonable by the Commissioner. The term is up to 15 years with interest at such rate as the Commissioner determines will cover all costs to the Government, including probable losses.

The Commissioner awards 1,500 fellowships per year for periods of study in such programs, not in excess of 3 academic years. The individual receiving the fellowship receives \$2,000 to \$2,400 per year, depending on the year of study, plus an allowance for dependents. In addition, the institution which the individual attends receives the portion of the cost attributable to such individual's study not to exceed \$2,500 per fellowship holder per academic year.

3. Loans to nonprofit private schools (NDEA (Public Law 85-864), sec. 305; 20 U.S.C. 445): Title III of NDEA is designed to strengthen science, mathematics, and modern foreign language instruction in elementary and secondary schools. The title contains provisions for grants to strengthen State supervisory services for public elementary and secondary schools and for grants to enable public elementary and secondary schools to acquire science, mathematics, and modern foreign language equipment (and to remodel space used for such equipment).

Twelve percent of each appropriation for the acquisition of science, mathematics, or foreign language equipment (or minor remodeling of space for such equipment) is required to be allotted by the Commissioner of Education for loans to private, nonprofit, elementary, and secondary schools. Affiliation or nonaffiliation with a religious organization is immaterial. The loans are authorized to enable the borrowing school to acquire equipment of the types referred to above (and do minor remodeling) and must bear interest at one-fourth of 1 percent above the current average yield on all outstanding marketable obligations of the United States, adjusted to the nearest one-eighth of 1 percent. Such loans must mature within 10 years.

4. Testing students in secondary schools (NDEA (Public Law 85-864), sec. 504(b); 20 U.S.C. 484(b)): Under title V of the National Defense Education Act, grants to State educational agencies may be used, among other things, for testing students in secondary schools, public or private. The Federal participation through the State grant is one-half the cost of such testing. The section cited above provides that in any State with an approved State plan which is not authorized by law to pay for the cost of testing students in one or more secondary schools, the Commissioner of Education shall arrange for the testing of such students and pay one-half the cost thereof (for the first fiscal year of the program the payment for testing was the full cost). In carrying out this provision during the 1960-61 school year, the Commissioner arranged for testing students in private secondary schools of 40 States. (For purposes of the act the Virgin Islands, Puerto Rico, the District of Columbia, and Guam are treated as States.)

The provision for the Commissioner to arrange testing was inserted in the law because it was known that in some States the State educational agency would not have authority to make payments toward the testing of students in nonpublic schools, particularly those with religious affiliation.

5. Institutes for training secondary school counselors and institutes for training modern foreign language teachers (NDEA (Public Law 85-864), secs. 511, 611; 20 U.S.C. 491, 521): The Commissioner of Education is authorized to contract with institutions of higher education for summer and regular academic year training programs to improve the qualifications of counselors in secondary schools and modern foreign language teachers. The teachers from public, sectarian, or any other types of private schools receive the opportunity for training without tuition costs. However, the act authorizes the Commissioner to pay a stipend for subsistence only to those who are to teach in public schools.

Although the instruction is conducted under a "contractual" arrangement pursuant to statute, it is included because the effect is here similar to that of a grant. The contract finances educational services by which the participating institutions serve a segment of people whom it would be their normal function to train.

6. Language and area centers (NDEA (Public Law 85-864), sec. 601(a); 20 U.S.C. 511(a)): The Commissioner of Education is authorized to arrange through "contracts" with institutions of higher education for the establishment and operation by them of centers for the teaching of certain modern foreign languages and studies related to the cultures in which such languages are used. The languages are confined to those for which trained individuals are needed in business, government, or education. While the statute authorizes only "contracts" for payment of one-half the cost, the program has all the earmarks of a grant situation.

7. Language fellowships (NDEA (Public Law 85-864), sec. 601(b); 20 U.S.C. 511(b)): The Commissioner of Education is authorized to pay stipends to individuals undergoing advanced training in any modern foreign language with respect to which he determines there is a special need in business, government, or education. No payment is made to the institutions of higher education, although the stipend is so computed as to include an amount which will enable the individual to meet his tuition and subsistence needs.

8. Foreign language research (NDEA (Public Law 85-864), sec. 602; 20 U.S.C. 512): The Commissioner of Education is authorized to contract for studies and surveys relating to the need for improved instruction in modern foreign languages and research in effective methods of improving such instruction. While the statute provides for a contractual arrangement, the program has many of the attributes of a grant situation.

9. Research and experimentation in more effective utilization of television, radio, motion pictures, and related media (NDEA (Public Law 85-864), sec. 702; 20 U.S.C. 542): In carrying out his authorization to make grants or contracts for research, experimentation, and dissemination of information in the development of methods for utilizing new media of communication for educational purposes, the Commissioner of Education has frequently paid for research, experimentation, and dissemination activities of institutions of higher education without regard to religious affiliation.

*B. Grants for teaching in the education of mentally retarded children* (Public Law 85-926, sec. 1, as amended by Public Law 86-158 at 73 Stat. 346 (20 U.S.C. 611))

The Commissioner of Education makes grants to public or other nonprofit institutions of higher education to assist them in providing training of teachers in fields related to the education of mentally retarded children. These grants may be used both in connection with the costs of instruction and for establishing and maintaining fellowships. This is a new program under which grants have been made to only 19 institutions. One of these is known to have religious affiliation.

*C. Cooperative research on problems in education* (Public Law 531, 83d Cong., sec. 1; 20 U.S.C. 331)

The Commissioner of Education is authorized to contract or make other jointly financed cooperative arrangements with institutions of higher education for studies and research on problems in education. In practice all arrangements have been made through contract. The program is listed here, however, because it has many of the attributes of a grant situation.

#### PUBLIC HEALTH SERVICE

*A. Health research project grants* (PHS Act, sec. 301(d); 42 U.S.C. 241(d) Public Law 660, 84th Cong.; 33 U.S.C. 466, *et seq.* Public Law 159, 84th Cong.; 42 U.S.C. 1857, *et seq.*)

Grants are authorized to defray the cost of research projects relating to the causes, prevention, treatment or control of the physical and mental diseases and impairments of man, and also relating to the cause, control and prevention of air and water pollution.<sup>4</sup>

*B. Construction of hospitals and other medical facilities* (PHS Act, title VI; 42 U.S.C. 291, *et seq.*)

Grants and loans are authorized to meet from one-third to two-thirds the cost of construction of general hospitals and other medical facilities. Such facilities include hospital-related housing for nurses and nursing homes.

*C. Construction of health research facilities* (PHS Act, title VII; 42 U.S.C. 292, *et seq.*)

Grants are authorized to meet up to 50 percent of the cost of construction, remodeling, or equipping of facilities for the conduct of research in the sciences related to health.

<sup>4</sup> A recent amendment (Public Law 86-798) has also authorized the use of up to 15 percent of the amounts appropriated for health research projects for grants to nonprofit universities or other institutions for the general support of their health research and research training programs. While no such grants have yet been made, present plans are to make awards without regard to the religious affiliation of the grantees.

**D. Categorical training grants and traineeships** (PHS Act, secs. 403, 412, 422, 433(a) and 303; 42 U.S.C. 283, 287a, 288a, 289c and 242(a))

Grants may be made to training institutions to meet the costs of providing specialized, technical or advanced training with respect to particular diseases of public health significance (cancer, heart disease, mental health, etc.) or with respect to air or water pollution (42 U.S.C. 1857; 33 U.S.C. 466). One example of such grants were those by the National Institute of Mental Health to schools of divinity of the three major faiths to develop on a 5-year "pilot" basis improved instruction in mental health. Authority is also provided for awarding traineeships to individuals, selected either by the training school or by the Public Health Service, to provide them subsistence support and expenses during their period of categorical training (42 C.F.R., pts. 63 and 64).

**E. Research fellowship grants and awards** (PHS Act, secs. 301(c), 433(a); 42 U.S.C. 241(c), 289(c))

Authority is provided to award fellowships to individuals selected by the Service, or to make grants to institutions to permit them to award fellowships, for the purpose of providing subsistence support and expenses to an individual in his conduct of health research or in his acquisition of health research training (42 C.F.R., pt. 61).

**F. Traineeships for professional public health personnel** (PHS Act, sec. 306, 42 U.S.C. 242d)

Authority is provided for awards either directly to individuals, or by means of grants to the training institution, to cover the cost of tuition, fees and subsistence during graduate or specialized training in public health of physicians, engineers, nurses, and other professional health personnel.

**G. Advanced Training of Professional Nurses** (PHS Act, sec 307; 42 U.S.C. 242e)

Authority is provided for the award of traineeships by grants to training institutions to cover the cost of tuition, fees, stipends, and allowances of professional nurses being trained to teach or to serve in an administrative or supervisory capacity.

**H. Project Grants for Graduate Training in Public Health** (PHS Act, sec. 309; 42 U.S.C. 242g)

Project grants are authorized to be awarded to schools of public health, nursing or engineering to meet the costs of graduate or specialized training in public health for nurses or engineers and for the purpose of strengthening or expanding graduate public health training in such schools.

**I. Indian Health—Aid in Construction of Community Hospitals** (Public Law 85-151; 42 U.S.C. 2005)

Grants are authorized to aid in the construction of community hospitals based on the proportion of construction costs attributable to the health needs of the Indians in the community.

**J. Cancer Control Grants** (Public Law 86-703)

Under authority of the current Department of Health, Education, and Welfare Appropriation Act, grants are made to hospitals, universities or other institutions, for the conduct of cancer prevention, control, and eradication programs.

OFFICE OF VOCATIONAL REHABILITATION

**A. Grants for Research, Demonstration and Training Projects Related to Vocational Rehabilitation** (Vocational Rehabilitation Act (Public Law 565, 83d Cong.), sec. 4(a); 29 U.S.C. 34(a))

The Secretary of Health, Education, and Welfare is authorized to make grants to public and other nonprofit organizations for paying a part of the cost of projects for research and demonstrations in the field of vocational rehabilitation and training of individuals in professional fields which provide services to physically handicapped individuals. Many of the grants for research and demonstration are made to institutions of higher education, and most of the grants for training are made to such institutions. The training grants include an amount to enable the institutions to pay stipends to persons in training.



***B. Vocational Rehabilitation Fellowships*** (Vocational Rehabilitation Act (Public Law 565, 83d Cong.), sec 7(a)(3); 29 U.S.C. 37(a)(3))

The Secretary of Health, Education, and Welfare is authorized to provide training in technical matters relating to vocational rehabilitation services, including the establishment and maintenance of research fellowships with stipends and allowances. Pursuant to this a limited number of research fellowships are awarded for study and research at various institutions of higher education.

**SOCIAL SECURITY ADMINISTRATION**

***A. Cooperative Research or Demonstration Projects*** (sec. 1110 of the Social Security Act, as added by sec. 331 of Public Law 880, 84th Cong.; 42 U.S.C. 1310)

The Secretary of Health, Education, and Welfare is authorized to make grants to or contracts with public and other nonprofit organizations for paying part of the cost of research or demonstration projects relating to public welfare and social security matters. While the enabling legislation was effective for fiscal year 1957, appropriations were first available to carry out this program during the 1961 fiscal year; \$350,000 has been made available for this purpose, and it is anticipated that one-third to one-half of that amount will be for financing projects at institutions of higher education. In the approval of such projects no distinction is made because of religious affiliation of an institution.

***B. Children's Bureau—Special Projects Relating to Crippled Children and Maternal and Child Health Services*** (secs. 502(b) and 512(b) of the Social Security Act, as amended by secs. 707(b)(1)(A) and 707(b)(2)(A) of Public Law 86-778; 42 U.S.C. 702(b) and 712(b))

The Secretary of Health, Education, and Welfare, is authorized to make grants to State health agencies and nonprofit institutions of higher education for special projects in the field of services for crippled children and maternal and child health. Up to now such projects have been financed by State agencies as the result of receiving grants from the Federal Government. In the future, however, grants will be made directly from the Federal Government, and no distinction is planned with respect to institutions.

**OFFICE OF FIELD ADMINISTRATION**

***Surplus Property Utilization Program*** (Federal Property and Administrative Services Act of 1949 (Public Law 152, 81st Cong.), as amended, secs. 203(j) and 203(k); 40 U.S.C. 484 (j) and (k))

Under these provisions the Secretary of Health, Education, and Welfare is authorized to allocate surplus personal property for transfer by the Administrator of General Services to State agencies for distribution to educational, health, and civil defense organizations. Surplus real estate assigned by the General Services Administrator is transferred by the Secretary of Health, Education, and Welfare for educational and public health purposes at a public benefit discount which can be as much as 100 percent of the appraised fair value. The institutions which receive real and personal property include public and private nonprofit elementary and secondary schools and institutions of higher education.

**ATOMIC ENERGY COMMISSION**

***Aid for Nuclear Equipment and Loan of Nuclear Materials to Colleges*** (Atomic Energy Act of 1946 (Public Law 585, 79th Cong.), as amended, secs. 3(a), 5(c)(2); 42 U.S.C. 2051, 2111)

The Atomic Energy Commission operates a variety of programs under which support is given for activities in institutions of higher education. For purposes of this listing these programs are grouped as follows:

1. Special fellowships for study at institutions of higher education under which payments are made to individuals to cover tuition and subsistence costs for students in nuclear science and engineering and for graduate work in the atomic energy aspects of the life sciences.
2. Grants to institutions to enable them to acquire:
  - (a) Nuclear laboratory equipment;
  - (b) Research reactors; and
  - (c) Teaching aids and laboratory equipment for radioisotope technology.



3. Loans of materials for instruction in nuclear fields and for research reactors.

4. Support of research in institutions of higher education through grants or contracts in various fields involving atomic energy.

5. Summer institutes in institutions of higher education to train teachers in various fields relating to atomic energy. Instructional costs are defrayed by the Atomic Energy Commission; stipends to teachers, who may be from schools with religious affiliation, are paid by the National Science Foundation. (Cf. NDEA counseling and foreign language institutes (p. 140, supra) where, because of statute, stipends are paid only to the public school teachers.)

#### VETERANS' ADMINISTRATION

*A. Vocational Rehabilitation* (Veterans' Benefits (Public Law 85-857), ch. 31, secs. 1503, 1504; 38 U.S.C. 1503, 1504)

Training is purchased from educational institutions of all types, including those with sectarian affiliation, for the rehabilitation of war veterans with service-connected disabilities. In addition, a subsistence allowance is paid the veteran.

*B. Educational Benefits for World War II and Korean Veterans* (Veterans' Benefits (Public Law 85-857), ch. 33, sec. 1601 *et seq.*; 38 U.S.C. 1601 *et seq.*)

Educational benefits for veterans of World War II were included in Public Law 346, 78th Congress. Under the original arrangement, a tuition payment was made directly to the school which the veteran attended, and this could include a theological school. In addition, a subsistence payment was made to the veteran. The arrangement for payment of tuition directly to the school was changed by Public Law 550, 82d Congress, which authorized a payment to the veteran and left it to him to take care of any tuition charges. The program for World War II veterans ended in July 1956, except for a small number of persons who were entitled to training benefits beyond that date. The present program authorized by Public Law 85-857 provides for an education and training allowance directly to the veteran. Small allowances are paid to each educational institution to reimburse it for the cost of making required reports to the Veterans' Administration regarding the veterans in attendance (38 U.S.C. 1645).

*C. War Orphans Educational Assistance* (Veterans' Benefits (Public Law 85-857), ch. 35, secs. 1701 *et seq.*; 38 U.S.C. 1701 *et seq.*)

This program provides educational opportunities for children of wartime veterans who died from a service-incurred disease or injury. The student must be pursuing an approved program of education in an institution of higher education or in a vocational school below the college level. Payments are made directly to the student to meet in part the expense of his tuition and subsistence. The Veterans' Administrator is required to pay each educational institution \$1 per month for each eligible person enrolled to assist in defraying the cost of preparing and submitting reports (38 U.S.C. 1765).

#### NATIONAL SCIENCE FOUNDATION

(National Science Foundation Act of 1950 (Public Law 507, 81st Cong.), secs. 3(a) (2), (3), (4) and (b), 11(c) and 14, as amended by Public Law 85-510, sec. 2 and Public Law 86-232, sec. 1; 42 U.S.C. 1862(a), (2), (3), (4) and (b), 1870(c) and 1872a (b))

Pursuant to broad statutory authorizations to foster research and education in scientific fields, the National Science Foundation provides the following support for activities in institutions of higher education:

1. Fellowships for various types of graduate studies include allowance for tuition and subsistence and permit study at any accredited nonprofit institution of higher education in the United States or abroad.

2. Summer, academic year, and inservice institutes are financed at institutions of higher education through stipend and tuition payments to improve the qualifications of high school and college teachers in science and mathematics. Stipends are paid without regard to the fact that the teacher is from a school with religious affiliation. (Cf. NDEA counseling and foreign language institutes (p. 4, supra) where, because of statute, stipends are paid only to public-school teachers.)

3. Special projects in science education are financed to provide the experimental testing and development of promising new ideas for the improvement of science instruction.

4. Programs are financed to improve course content and supplementary teaching aids in science.

5. Grants are made for basic research in the sciences, including funds for the use of graduate students as research assistants.

#### STATE DEPARTMENT

The State Department supports educational activities to a considerable extent by a variety of programs for international exchange, improvement of cultural relationships, and rendering of technical assistance to foreign countries. Basically, under the programs students from this country are permitted to attend educational institutions abroad and students from foreign countries are permitted to attend educational institutions in this country. In either case payments are made to cover the cost of instruction and subsistence. For the education of foreign students in this country, the State Department makes contractual arrangements with the Institute of International Education, a private nonprofit organization in New York City, which in turn sponsors and makes specific arrangements for educating the foreign students. Training for a profession in religion is not financed but schools with religious affiliation are used. In performing this service IIE gives financial aid to the students to cover tuition and other related student costs.

The State Department has also made direct financial arrangements with universities and charitable organizations in this country to provide student leader seminars, high school training for teenagers, and English language classes for foreign students. In addition, the State Department has a variety of exchange and other educational programs by which foreign individuals are able to study in this country with the assistance of other Government agencies and private educational organizations. Examples of programs are:

1. U.S. information and educational exchange programs, 22 U.S.C. 1891, et seq.

2. Technical cooperation with foreign countries, 22 U.S.C. 1891, et seq.

Under 22 U.S.C. 1448, a program has been implemented for technical cooperation in the form of assistance to schools abroad founded or sponsored by citizens of the United States and serving as demonstration centers for methods and practices employed in the United States in certain areas of training. A specific limitation of this program established by the State Department is that no funds may be channeled to a school operated under religious auspices.

#### DEPARTMENT OF DEFENSE

The Department of Defense has a number of training and research programs which finance activities at institutions of higher education. Research contracts fall under the procurement authority of each of the three branches of the Armed Forces. Thus, research is supported because of benefits to be received by the Defense Department and training is paid for because it improves the qualifications of military and civilian personnel. Such arrangements have also been made on a grant basis to institutions pursuant to 42 U.S.C. 1891-1893, which specifies that the authority to contract for certain scientific research at nonprofit institutions of higher education shall be deemed to be authority to make grants.

#### SMALL BUSINESS ADMINISTRATION

*Business Management Research* (Small Business Investment Act of 1958 (Public Law 85-699), sec. 602(c); 15 U.S.C. 636(d))

The Small Business Administration is authorized to make grants to various organizations including colleges, universities, and schools of business for research in the field of business management and finance. Grants have been made in prior years including those to institutions with religious affiliation. No funds are available to conduct this activity for the 1961 fiscal year.

## DEPARTMENT OF AGRICULTURE

**A. National school lunch program** (National School Lunch Act (Public Law 396, 79th Cong.), as amended; 42 U.S.C. 1751 *et seq.*)

The purpose of this program is to improve the health and well-being of the Nation's children by providing funds and foods to States and territories for use in serving nutritious midday meals to children attending schools of high school grade and less. The Federal assistance is through payments to the educational agency of each State which then channels the aid to participating schools. However, 42 U.S.C. 1759 provides that in any State where the State educational agency is not permitted by law to disburse the funds to nonprofit schools they shall be disbursed directly to such schools for program purposes. In more than half of the States the educational agency has considered that it could not make the funds available to nonprofit private schools and as a result in those States the Secretary of Agriculture makes funds available directly to such nonprofit schools, including those with religious affiliation.

**B. Special milk program** (Agricultural Act of 1954 (Public Law 690, 83d Cong.), sec. 204(b); 7 U.S.C. 1446(c))

Under this program funds of the Commodity Credit Corporation are used to increase the consumption of fluid milk by children in nonprofit schools of high school grade and under, in nonprofit nursery schools, child care centers, etc. devoted to the care and training of children.

**C. Forestry research** (Public Law 466, 70th Cong., sec. 1; 16 U.S.C. 581)

The Secretary of Agriculture is authorized to conduct research relating to reforestation and forest products through arrangements with outside organizations. A part of this program is conducted through cooperative arrangements with colleges and universities, and at least one such arrangement has been made with a university with religious affiliation.

**D. Use of national forests** (30 Stat. 36; 55th Cong.: 16 U.S.C. 479)

The act of June 4, 1897, cited above, authorizes a group of persons residing in the vicinity of national forests to occupy not exceeding 2 acres of forest land for the erection of a school and not exceeding 1 acre for the erection of a church; 163 schools were on forest land on June 30, 1959. Information is not available as to possible religious affiliation, but it is believed that few if any of such schools have religious affiliation. There is, however, no rule to prevent erection of a school because of such affiliation.

## NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

**University Research Program** (National Aeronautics and Space Act of 1958 (Public Law 85-508), sec. 203(b)(5); 42 U.S.C. 2473(b)(5))

Research is conducted through contract with institutions of higher education in matters within the scope of interest of the National Aeronautics and Space Administration. The agency has also made grants to institutions with religious affiliation pursuant to the provision of 42 U.S.C. 1891-1893, which provides that authority to contract with institutions of higher education for certain types of research shall also include the authority to make grants.

## DEPARTMENT OF INTERIOR

**Education of Indian children**

25 U.S.C. 278 declares it "to be the settled policy of the Government to make no appropriation whatever out of the Treasury of the United States for education of Indian children in any sectarian school." (See *Quick Bear v. Leupp* (1908), 210 U.S. 50, holding that a similar prohibition did not apply to an appropriation from funds held by the United States in "trust" for a tribe.) 25 U.S.C. 279 authorizes the Secretary to provide Indian children in missions with the rations and clothing to which they would be entitled under treaty stipulations if living with their parents.

The Bureau of Indian Affairs arranges for the placement of Indian children in schools with religious affiliation only because of special circumstances. In such cases they make no payment toward instructional costs but do use welfare funds to pay the institution for other needs of the children.

## HOUSING AND HOME FINANCE AGENCY

*College housing loan program* (Housing Act of 1950 (Public Law 475, 81st Cong.), sec. 401 *et seq.*; 12 U.S.C. 1749)

The Housing and Home Finance Administrator is authorized to make construction loans to assist public and private nonprofit institutions offering at least a 2-year program of higher education and public and private nonprofit hospitals operating student nurse or internship programs so that they may provide new or improved housing and other related facilities (such as dining rooms, student centers, and infirmaries) for students and faculties. Under this program, loans are made only where the institution is unable to secure funds for such purposes from other sources upon equally favorable terms and conditions. The loans can cover up to the full cost of construction and have a maturity of up to 50 years. Interest may not be one-fourth percent above the average interest rate on all outstanding Federal obligations.

Senator MORSE. My own views will be made known in the due course of time. I seek only, now, as chairman, to solicit information from the administration, because I feel that it is the primary responsibility of the administration, and not of the subcommittee, to present the basic material that is necessary to answer these questions.

Secretary RIBICOFF. Mr. Chairman, all your requests will be complied with.

Senator MORSE. Senator Javits.

Senator JAVITS. Mr. Secretary, I wish to join my colleagues in congratulating you on your message. Though I may not necessarily agree with this bill, I certainly appreciate the way in which you put the matter before us.

Now, Mr. Secretary, there are two perplexing questions in this whole matter. One, may I ask you this formal question? Would the Secretary prefer to defer examination on this question of any aid to private and parochial schools until submission of briefs which the Chair has called for?

Secretary RIBICOFF. I would say this: I am a witness before this subcommittee. It is not my choice, but the choice of this subcommittee, and I am ready, as I always will be, to answer any question that any Member of the Congress of the United States may request of me. So while the briefs will be submitted as requested, yet I certainly recognize the right of any Senator to question any Secretary or any witness appearing before you. So this is not my choice, may I say, but it is yours.

Senator MORSE. I would like any member of the subcommittee to feel perfectly free to ask the Secretary or his associates any question today that they would like to ask. But I thought I would tell you what my plan is. After these briefs are submitted, I think this matter will have crystallized. It may be necessary to recall the Secretary, to recall the solicitors of his Department, or to call representatives of the Department of Justice for further cross-examination on this matter. Please proceed with any examination you want today, but it is my belief that we cannot possibly exhaust the matter. With all due respect to the Secretary and his staff, I do not feel they would be ready today to express final opinion upon some of the intricate, complex questions which may be raised by the briefs I have requested. I think it should be understood, if we examine the Secretary on this general subject matter today, that it is not exhaustive nor is it final. I do intend to call him back, if necessary.

Senator JAVITS. I thank the Chair. I shall not press any questions upon that point. I think the Chair is perfectly right in the matter. We wish to approach with the greatest respect.

I would like to ask the Secretary this. Are we to assume that the point that both the Chair and I have raised about Supreme Court decisions which do allow States to do something about pupils who attend private and parochial schools, is that concept also encompassed within the general announcement of the President's policy that no part of this bill will be permitted to aid private or parochial schools?

Secretary RIBICOFF. Well, I would say examination of his bill indicates that it is implying two specific purposes, it encompasses only public schools and it provides only for construction and for teachers' salaries and 10 percent for special projects. So this is what this bill contains, Senator Javits. It does not go beyond that.

Senator JAVITS. In other words, it is included by the implication of the bill rather than by the expression?

Secretary RIBICOFF. That is correct.

Senator JAVITS. I want to get that clear, and I will now defer any further questions, as the Chair I think quite properly implies, until we get the crystallized position of the administration and its brief.

#### PROBLEM OF EQUAL OPPORTUNITY

I would like to ask you this, Mr. Secretary: Another vexing question in this whole deal is the equal opportunity question. Now I think that that has been pretty well boiled down to the question of whether or not it is a matter of public policy. I would appreciate even now or later—I have no desire to make anything of the Secretary's being unable to answer now or ready to answer now. I assure the Secretary I understand and accept that and will wait until the time when the Secretary is ready. I wish to make that crystal clear. But I would like to leave you with this question to be answered now or later. What are we to do—and what is the rationale of the administration with respect to this decision—what ought we to do about the district which is in actual defiance of a court order requiring desegregation? What is the position of the administration on that very clear issue? It is not a matter of inducing them, it is not a matter of compelling them or giving them even incentive. It is the sheer question of defiance of an order of the U.S. court, which may or may not be subject to a contempt action at that stage, which is certainly elementary in the lexicon of our law. What does the administration feel we ought to do about it in terms either of this bill or of its own policy in administering it?

Secretary RIBICOFF. I would say, Senator Javits, at a recent press conference the President of the United States said he was studying all the problems of Executive orders. As you know, just the other day there was an Executive order on fair employment practices; concerning the question you raise there has been no decision and I would have to defer to the Attorney General, as you can appreciate, or when this matter of Executive orders is studied.

Senator JAVITS. But the administration does not favor any provision in this bill with respect to any such situation?

## AVOIDANCE OF WEAKENING AMENDMENTS

Secretary RIBICOFF. I would say this personally now, talking for myself. I would decry anything in this bill that would divert attention from the main provisions of this measure. I know, Senator Javits, that you are interested in education. I believe that you are for Federal aid to education. I am very anxious, and I know the President is very anxious to pass a Federal aid to education bill.

I would feel that we should avoid the insertion of any amendment in this legislation which would weaken its chances of passing. It would be my feeling that to place an amendment such as you indicate in this bill would definitely weaken the chance of passage of this bill.

Education is important throughout this Nation. It is important to further the education of children in the north, east, south, and west. I think we have a problem concerning whites and Negroes alike. It is my feeling that this bill will increase education opportunity for whites and Negroes alike in all the 50 States. It would be my deep hope that we would not have our friends do this, as well as the enemies of this, bill, and I cannot urge with any more strength or passion my hope that there would not be introduced in either House such amendment—but of course the Senate and the House are in their own right to do so—any amendment which would cause the defeat of this bill.

I would hope the day is here when the Senate and House of Representatives will have a clean and clear-cut vote—are you or are you not for Federal aid to education—not have placed in the measure such amendments which will divert from the issue and cause this bill to go down to defeat.

Senator JAVITS. Then the Secretary's view is based upon the practical question of action in the Congress rather than upon any basis of principle?

## PLACING ALL PROBLEMS ON BACK OF EDUCATION

Secretary RIBICOFF. Let me say this: As far as principle is concerned, Senator Javits, I believe in the decision of the Supreme Court of 1954. I believe it is legally correct and I believe that it is morally correct. It is my feeling that there are many problems facing the United States of America. There are problems facing us internationally and there are problems facing us nationally. There are problems that have an impact on each one of our citizens day in and day out in every conceivable field, and I can imagine no greater tragedy than to try to solve every problem facing America by trying to place every one of those problems on the back of education. We need education. Education is necessary. But if we try and solve all other problems on the back of education then education itself will fail.

It is my feeling that many of the problems we talk about can be solved with better understanding and better education will promote better understanding, and this is very, very important for all of us in America.

The problems of civil rights are problems that are going to have to be solved by the Congress of the United States by facing up to its own responsibilities in the debate on this issue. It is going to have to be solved by decisions of the Supreme Court. It will have to be solved by legislators and Governors in all the 50 States. When I



say all the 50 States I mean all the 50 States. Your own State of New York has civil rights problems in some of the communities on the outskirts of New York City. And it is going to take understanding by all the people of this country.

So I would feel that we could do no greater disservice for the future of education than to attempt through this bill to try to solve all our problems and in the process we fail and solve none.

So it isn't just a question of being practical, but it is also a question of principle, and it is very hard to separate them. Those of us who have been in public life understand the problems as they come in on one another. They are not mutually exclusive. Sometimes being practical is the best way to advance a principle.

#### DEFENSE OF SUPREME COURT

Senator JAVITS. I would say to the Secretary that I accept what he said with the greatest understanding and that I may very well come to that same conclusion myself, but I would say to the Secretary that I think this observation omits two very critical factors. One is that the Supreme Court has held that the denial of equal opportunity in education itself reduces the quality of the education for a certain section of our population, and the other is that it is awfully hard as a lawyer—though I may come to that conclusion, I tell the Secretary quite frankly—to see how you can with the one hand allow the courts of the United States to be defied overtly, and with the other hand have the same Government give the resources of its citizens to the very political entity which is defied in another independent branch of the Government.

I say I may come to the same conclusion as the Secretary, but I could not just allow it to go on the basis of its being some reform we are trying to effect. We are talking about the integrity of the courts of the United States, and we are talking about the equal right of every American who pays taxes to get the same quality of education.

I understand the Secretary, and as I say, I may myself come to that precise conclusion, but I do think that is the issue that we pose precisely.

Now I have just one other question, Mr. Chairman. I am sorry to have taken so much time.

Senator MORSE. Take your time.

#### PREFERENCE FOR FOUNDATION PLAN

Senator JAVITS. It is on the question of allocations, Mr. Secretary. Taking the administration at its word, and I couldn't agree with it more that the country can afford a reasonable optimum of education for every child whether the child is in a poor or rich State, employing it in the same terms you used, personal income of the people, isn't it necessary therefore to approach it on the basis of a foundation plan? That is, a certain overall sum expended for education, for the education of the quality related to that sum rather than just in a Federal payment of fifteen to thirty-some-odd dollars, what you have provided here for the State of Mississippi at the end of the third year of \$37.89. Is not the plan which Senator Cooper and I have in our bill—that we wish to assure every pupil a foundation education, an optimum of



\$400 quality education per year—a better plan and more deserving of Federal support, especially as it does not cost much more than this plan which may give my State, for example, less than it ought to get, may give the middle States more than they ought to get, and may give the Southern States far less than they ought to get?

Would the Secretary, therefore, give us his thinking upon the foundation idea, which the Secretary is clearly familiar with, versus the allocations idea as incorporated in the administration bill?

#### VARIATIONS IN COSTS AMONG STATES

Secretary RIBICOFF. I would say this, Senator Javits. There are many points in the Cooper bill that are similar to this bill. I do not know, with the spread of this country, how you can allocate a set sum and say this is going to give you the same education all over the 50 States, because costs are different, overhead is different. Basically, the State of New York, the State of Pennsylvania, and the State of Connecticut are listed as rich States. Yet in these areas they have problems of their own. I would say that in sections of Pennsylvania, which is supposed to be a rich State, they have some of the gravest problems of any of the States, and although the State itself has a large per capita income yet there are sections of distressed areas where they have difficulties and they need these grants. We do feel that this is an orderly procedure with the maintenance of effort that will be required for keeping up the standards. You are in the process of raising the standards in all the different States, and frankly I do not conceive of this program being a 3-year program. I could not come to the Congress of the United States and say that is the end of Federal aid to education. Personally I don't think so, and I have to be frank with you.

So you are dealing with a program that I think will be a continuing program, frankly, and you are raising the standards of education throughout the Nation, and I think it can be done with this approach as well as the approach that you and Senator Cooper have advanced.

#### CATEGORIES OF AID

Senator JAVITS. There is one other question, Mr. Secretary. Did you think at all of the need for making categories in this bill for science and mathematics as special inducements as we did, in the National Defense Act? I notice that was not reflected in this bill.

Secretary RIBICOFF. No, it is not reflected because I believe there will be amendments proposed later on in the field of the National Defense Education Act. Frankly I think this country needs good education all over. Now I am interested in scientists and I am interested in mathematicians, but frankly I am interested as a human being, an American, in producing musicians and poets and writers just as well. I think that we must have whole people, and in the period of the life of the children of the elementary and secondary school that I hope we can give them such a good education that we make them whole people, that they can grow into maturity.

There are many fields besides which need more emphasis. Frankly I think that we are very sorely in need in our public school system of teaching English, which has deteriorated scandalously. I think that

the teaching of history has to be improved. It is a problem of raising the standards of the entire educational system of our Nation, and it would be my hope that we would not stress these categories.

However, by getting better teachers and better school buildings I think we improve education, and I do think since we are trying to raise education standards in elementary and secondary grades, that we should not confine them to special categories of teaching.

Senator JAVITS. Thank you, Mr. Secretary.

#### COMMITTEE PROCEDURE

Senator MORSE. May I have the attention of my colleagues for just a moment? There is a question of procedure I would like to discuss. We may not finish with the Secretary this morning and we cannot meet this afternoon because the business of the Senate is personally important to some members of the subcommittee. I have been notified that, reluctantly, some members request that we not meet this afternoon, because, after the Meriwether nomination, the Senate will consider the feed grain bill. I want to arrange matters so that my colleagues can have ample opportunity to cross-examine the Secretary, although it is my belief that he will be before us several times before we report a bill to the floor.

Senator Goldwater cannot be here tomorrow because he has other official duties elsewhere, and I was wondering if we could meet the convenience of the subcommittee, Senator Goldwater, other members of the subcommittee, and the Secretary, if I schedule the Secretary to return to the witness stand Friday morning at 9:30.

Senator GOLDWATER. Mr. Chairman, I have to be absent both Thursday and Friday.

Senator MORSE. Perhaps Monday at 9:30. Could you be here on Monday?

Senator GOLDWATER. Yes. We have witnesses scheduled for Monday.

Senator MORSE. I'm sure we are not going to finish on Monday.

Senator GOLDWATER. I am asking if the minority leader will withdraw his objection to this meeting through the 12 o'clock period. I do not see why we cannot continue this afternoon. However, it is any member's prerogative to object to the meeting of the subcommittee. I understood that Senator Dirksen was objecting. We have a limited debate and I know that some of my colleagues on this subcommittee want to participate. I have no desire to participate, but I do think the questions I want to ask would be more pertinent at this time than waiting until Monday.

Senator MORSE. It is not procedurally necessary for the chairman to be here, or for that matter any other majority member, in order to conduct the hearing. You could ask your questions, subject to the understanding that if your examination of the Secretary is not finished today we will resume Monday at 9:30. You can be here Monday at 9:30?

Senator GOLDWATER. Yes.

Senator MORSE. Is that satisfactory to Senator Randolph and Senator Yarborough?

Senator RANDOLPH. Yes.

Senator YARBOROUGH. Yes.

Secretary RIBICOFF. Mr. Chairman, I believe the House committee has scheduled me on this subject for Monday morning.

Senator MORSE. In that case, you are going to have to leave this matter to the discretion of the Chair. I shall work it out. I am an old mediator. I will work it out with my colleagues and with you.

Senator GOLDWATER. If the chairman will yield, the Republicans have a policy committee meeting at noon. I do not see why Republicans who will be down there eating should object to this subcommittee meeting, and I would so convey that to the minority leader and we are waiting now to hear his word.

#### OPPOSITION TO CIVIL RIGHTS AMENDMENT TO EDUCATION BILL

Senator MORSE. While we are waiting then—I am not going to do this generally, may I assure my colleagues—but because of my assignment by the leadership to manage this bill on the floor, I should like to supplement the comments made by the Senator from New York. I do this for the reasons that, first, I have been getting much criticism of my position on this bill, and second, I want the record to show my position clearly.

I shall oppose any civil rights amendment to this bill. To begin with, it is not a civil rights bill. It is an education bill. It seems to me most unfair to risk the defeat of this bill, and thereby jeopardize the educational interests of little boys and girls just because their elders enter into a controversy over constitutional rights.

The direct approach, so far as the Senator from Oregon is concerned, is a civil rights bill. I want the strictest enforcement of the Supreme Court decisions. I want an end to segregation in all schools in this country, and anywhere in this country, as rapidly as can be brought about by the enforcement of the Constitution of the United States. I shall offer, in due course of time, in this session, amendments to the civil rights bill, and to the civil rights law, which will bring that end about. I think such a procedure is the forthright, frank, and direct way to do it.

Secondly, and I am through with this, we all know, no matter how sincere the motivations of some may be, that the addition of a civil rights amendment to this bill can be used for the dilatory purpose of defeating the public school aid bill. I do not think that to do this is fair to our boys and girls. I think we owe it to them to give them an opportunity to obtain an education in accordance with present practices until the Congress lives up to its responsibility by passing a civil rights bill which protects their constitutional rights.

To my critics, I want to say that this is my philosophy on this matter. I do not yield to any of them, or to anyone else, in my record of staunch defense of civil rights in this country, but I am not going to be diverted from an educational bill by participating in defeating that bill through a dilatory tactic such as a civil rights amendment.

I have an announcement to make as chairman for the record, and I think this is the time to do it.

Senator JAVITS. Would the Chair allow me to say one word on the other? I just want to tell the Chair you may very well have a firm ally.

Senator MORSE. What I said was in no way criticism of any of my colleagues. It was just a statement. I think as chairman it ought to be known what my views would be on this bill.

Senator GOLDWATER. Could the chairman yield? I just had word from Senator Dirksen he will withdraw his objection to this subcommittee meeting.

Senator MORSE. Well, then as soon as I finish this announcement, because I have to go to a very interesting debate, I will leave the chair. Will the Senator from Texas remain?

Senator RANDOLPH. Mr. Chairman, is it understood we will meet just for an hour or 45 minutes? I would just like to know what the thought is.

Senator GOLDWATER. I don't think that my questions could possibly run over a half hour, maybe 45 minutes. I have them prepared. There is going to be no long talk on them.

Senator RANDOLPH. And in view of the questioning of the Senator from Arizona it is understood at a later time those of us who planned to question the Secretary will have the opportunity to do so?

Senator MORSE. He will be brought back at least once, perhaps several times, but at least once.

Senator RANDOLPH. I know in my case I would refrain today from asking those questions.

Senator MORSE. Certainly you will have time.

Senator RANDOLPH. I am delighted to cooperate with the Chair.

Senator MORSE. I understand that the Secretary joins some of us in going on a diet so I don't think he is too anxious for an early lunch.

Before I leave I want to make this announcement of procedure, and I am sure that my colleagues will not object to it. In fact, the majority of my colleagues have already told me that they would support the announcement.

I have had a request from one group that wanted to appear as witnesses before this committee in historic costume, and I have notified them that this committee room is not a theater or a stage. I always conduct my hearings on the basis of conducting a quasi-judicial hearing, and as such theatrics would not be allowed in a courtroom, they will not be allowed in this hearing room, and therefore the record will show that those witnesses will not testify in costume. But if they want to come in as any other witness and sit down and testify I assure them a full and fair hearing. The record will speak for itself on that point.

I now turn the chair over to the Senator from Texas, Senator Yarborough.

Senator YARBOROUGH. I will be able to stay for only about 15 minutes, but the Senator from West Virginia has promised to take over at that point.

Senator MORSE. I want to thank both the Senator from Texas and the Senator from West Virginia, and, Mr. Secretary accept my apology.

Senator YARBOROUGH (presiding pro tempore). Senator Goldwater, you have questions of the Secretary?

## STATE AND LOCAL EFFORT

Senator GOLDWATER. Yes. Mr. Secretary, I assume it is your position that Federal aid to education is required because States and local communities are allegedly not doing enough to meet their own school needs?

Secretary RIBICOFF. That is correct, sir.

Senator GOLDWATER. Now to what do you attribute this alleged failure on the part of the States and local communities to meet this problem? Is it because they have reached the limit of their physical resources and hence are unable to finance these measures to meet their own school needs?

Secretary RIBICOFF. I would say they are finding their burdens in many communities so high that they are meeting great resistance in their local communities to raise taxes any higher.

Senator GOLDWATER. Or do you think it is because for one reason or another they are simply refusing to take the steps necessary to solve what you regard as some of their educational problems?

Secretary RIBICOFF. I would say that it is some of both. It seems to me that some communities probably are not taking the steps that they could, Senator Goldwater, and I would say that other communities have reached great resistance from taxpayers on the local level, the communities who feel that taxes have gone so high, certainly no real estate, that they can bear no further burden, and this has caused great resistance. Other States do have limited resources.

I think some of the States that do not have the economic resources as indicated on the chart find great difficulty in raising more money. As a matter of fact, some of the States are making a very great effort in proportion to what their resources are.

## REJECTION OF SCHOOL BOND ISSUES

Senator GOLDWATER. Of course you realize that the local school board's request for school taxes is the only opportunity the taxpayer has to tell the tax collector where to head in in this country, and I think they take out their whole feeling against excessive taxation on the school board request many times.

Secretary RIBICOFF. I would say as a Governor who was close to this there is no question but this happens time and time again in the United States where it is evidenced by rejection of local option for bond issues for schools. We find this rejected in many communities across this Nation, Senator Goldwater.

Senator GOLDWATER. I might say that that was the fundamental thinking behind my bill which I will discuss next Monday which in essence allows new tax credits for school taxes. That would enable about three and a quarter billion dollars to remain at home that could be used for any local purposes that the local community decided that it would be used for if the taxpayer is willing to meet the obligation. But I don't want to get into that today.

Then you contend that some States cannot meet their needs and other States simply will not?

Secretary RIBICOFF. And a third category, some States have difficulty. As the figure in my testimony showed, there is a great rise in costs in many communities and in many States and there is bound to

be indebtedness and general rise in taxes. I would say there is no rule of thumb on this problem across this Nation. It is my feeling that generally Federal aid for education is needed as a general proposition, but if you have the third category, with the other two you state, you are correct.

#### HIGH TAXES

Senator GOLDWATER. Isn't the reason that they are unable to finance their own educational needs to be attributed in a large measure to the excessive rate of taxation already imposed by the Federal Government and to a growing State and local government?

Secretary RIBICOFF. Well, excessive is a relative term.

Senator GOLDWATER. Well, let's use the word "high."

Secretary RIBICOFF. Well, I would say taxes are high, local, State and National. As a person who has struggled with budgets for many years of my life, I recognize this. However, we are met with basic needs. What should we do with the tax dollars that we have and what needs of our Nation would justify if necessary an increase in taxes?

It is my personal belief that next to defense it is very hard to imagine a need that is greater than education, and if we were to justify the expenditure of our tax money or to raise taxes I would put the greatest and highest priority on education. It is my feeling that this happens to be the situation in our local communities, in our States, and to a great extent in our Federal Government where a great deal of our governmental budgets on all levels go for the purposes of education.

Senator GOLDWATER. Well, I will agree with you that education is certainly a high priority. I think it always has been in this country. I think it is a much higher priority than many people are willing to admit. But if we have to raise taxes, and I think it is rather obvious that that is going to have to take place at the Federal level some time in the coming 4 years, why not raise them at the local level and retain the operation of purely local schools on the local level?

#### EXCELLENCE IN EDUCATION A NATIONAL PROBLEM

Secretary RIBICOFF. The answer I would give to that, Senator Goldwater, is this, that basically I do believe that excellence in education is a national problem. I do not believe that a person who lives in a State merely earns his money in that State. Take my own State of Connecticut. Many people who live in our State work in New York and receive heavy income. I was interested in the exchange between Senator Clark and Senator Fulbright. There is no question that in an economy such as ours many of our people derive income from activities throughout the Nation. I would imagine in your own State of Arizona many people with good judgment have retired and do not earn their living in Arizona, retire on income that they might derive from securities and corporate enterprises across the country, or real estate investment or investment in bonds.

Now as a generalization their income is generated by the national wealth of the 50 States, and I do not believe that it is unfair to expect of a man or woman who earns his income, and that income to a great extent is based upon the production of our national wealth, to make his

contribution to raising standards in the 50 States even though he helps raise the standard and his tax contribution goes to people in the State other than that in which he is domiciled.

Senator GOLDWATER. Well, he is already doing that. He is already contributing to raising the educational standards in his State of residence. I do not think we could ever point to a time in our history when a person made his total income within the boundaries of the State in which he lived. I think that would be an impossibility. But if we extend this philosophy then I think we might reach the point where there would be no local governments at all. The income let's say in Arizona, part of it should go to maintain the local government in a State less able to meet their local government requirements, and my argument is if we are going to raise taxes the place to raise it for this purpose would be at the local level because you would get more out of your dollar than you would if you expend it at the Federal level.

Secretary RIBICOFF. I think we are going to get a lot out of the dollars we spend in this program. I have tried to estimate what the cost of this program would be administratively, and it is our best estimate that we will pay, that it will be about one-tenth of 1 percent. Senator Goldwater, I don't want to spend an extra dime that I don't have to spend. I want to have as few employees as I possibly can get along with. It is my hope that any of these programs, whether it is this or any other grant program that comes out of Health, Education, and Welfare, would be distributed in such a way to keep the overhead and administrative cost low.

So when you consider a program such as this where the administrative cost would be some one-tenth of 1 percent I do not believe that that is an excessive administrative cost.

To give credit toward Federal taxes the way you suggest would, I believe, deprive the National Treasury of substantial sums that are needed for the national interest frankly in States that aren't as well situated as Arizona or Connecticut or New York. I understand the point you make. Let me say philosophically I hope the day never comes that we do not have local governments and State governments. I cannot imagine a greater tragedy for this Nation than not to still have State and local governments.

But there are national problems. I do believe that today education has become a national problem, and since education is a national problem I believe that we are in a position that we must do something about it.

Of course, one of the greatest illusions is that the Federal Government is not in education today. It is my understanding that last year alone the Federal Government expended some \$2,700 million in different types of educational programs. We have been doing this for decades.

Senator GOLDWATER. I don't argue that point at all. It is like being sick. You do not want to get any worse. That is my position here. Certainly the Federal Government would be deprived of income if a program such as mine would be used, but it also would receive additional income that would eventually be above what it would lose. I have used the same argument with the Secretary of the Treasury relative to medical assistance. We will not get into that at this particular time.



Now why should the Federal Government grant funds for educational purposes to States which are able out of their own resources to meet their educational needs, which is exactly what this bill proposes to do?

Secretary RIBICOFF. I would say that this is taking a few steps toward you, Senator Goldwater, on the basis that these are the States that do produce great tax revenue, and I think it is unfair to expect that for the revenues that they give they get nothing back in return, No. 1; No. 2, that a State may be rich, but that does not mean that its people are not paying large taxes in order to support their standards of education or mental health or other State services, and furthermore since education by far and large throughout the Nation is a local matter, you do have situations in each and every State, no matter how rich that State may be, where you have local communities that may be in economic distress or economic difficulty.

Now this bill provides that while the money goes into the State, that the State commissioner of education or the board of education should allocate these funds to the areas of greatest need. Now this is for each State to determine where the need may be in that State. If you have a State with a rich community, a community that does not have a burden or does not have a distress it would seem to me that these funds should not be allocated. But in every rich State that I know of there are communities that are in need or are making expenditures beyond the level to which they can expect their local citizens to contribute.

Senator GOLDWATER. I think you will find in every State in the Union, regardless of its total wealth, that there are communities and school districts that are not able to fully supply their needs, but there are other ways to meet these needs than going to the Federal Government.

I will give you as an example my own State which is, I think, 29th in the rank of wealth. We just put another 1 percent on our sales tax and directed it entirely to school purposes and raised far more than a sufficient amount of money to adequately finance the schools where local taxes could not do it. This is the type of thing that could be used in other States than ours and used very successfully to avoid the Federal hand.

At this point the Office of Education 1960 survey of enrollment, teacher and school housing, lists by States additional public instruction rooms needed by the fall of 1960 to accommodate excessive enrollment and to replace unsatisfactory facilities. According to this survey, New York had a total classroom need of 16,000, reduced by 5,800 classrooms which are scheduled to be completed during 1960 and 1961. Texas had a need of 4,438 classrooms, reduced by 3,629 scheduled to be completed during 1960 and 1961. Now, during the 3 years of the administration program, New York will receive \$116,100,000 while Texas will receive \$142,068,000. Yet, as of the fall of 1960, New York had a classroom shortage 12 times as great as Texas. Why does less money go to New York than to Texas when New York has a far greater need? This is the point I was trying to make by my other question.

Secretary RIBICOFF. Well, I would say here you do have a formula, and again I think that you make part of my argument that New York has a greater capacity as a whole to take care of the school needs than

Texas. The problem of education is a concern of all of us whether we come from a wealthy State or a poor State, and I feel it is a concern for all of us to raise the standards of education in every State of the Union.

New York is No. 1 on personal income per pupil and, consequently, we can expect New York to better take care and should be required to take care of its needs, and that is why New York does get less than Texas on the formula.

Now this is a formula that we approve and it is a formula that has been advocated basically, I say, in a long line of previous actions by the Congress of the United States.

Senator GOLDWATER. Are these charts based on public school pupils or total pupils, including parochial school?

Secretary RIBICOFF. No parochial schools. Public school only.

Senator GOLDWATER. These are public school figures only?

Secretary RIBICOFF. School expenditures for public school pupils.

Senator GOLDWATER. Now, Mr. Secretary, if all the States and local communities were able to finance their own educational development—in other words, if the problem were not a financial one, but rather an unwillingness on their part to expand or improve their education facilities to the degree you regard as necessary—would you still favor a program of Federal aid to education?

Secretary RIBICOFF. Personally, if I thought that every community and every State could do their own I would not.

Senator GOLDWATER. Well, thank you. Now I have a few specific questions here. You stated that the estimated public school enrollment in the next 10 years will increase from 36 million in 1959 and 1960 to 44 million in 1968 and 1969. This represents an increase of 22 percent. Could you give the committee the increase in enrollment over the past 10 years?

Secretary RIBICOFF. If you will wait a second, Senator Goldwater.

Senator GOLDWATER. Sure.

Secretary RIBICOFF. Will you please repeat that question?

Senator GOLDWATER. Yes. The figures that you used for increased enrollment in the next 10 years go from 36 million to 44 million. Now this represents an increase of 22 percent. Could you give the committee the increase in enrollment over the past 10 years?

Secretary RIBICOFF. I have the figures from 1951, 1952 to 1957 and 1958, which is the question of 28 percent. The figures here, Senator Goldwater, indicate an increase of some 25 million to 35 million, an increase of some 10 million in the decade.

Senator GOLDWATER. That would be about 44 percent increase. So actually the increase in the next 10 years will be 50 percent below the rate for the last 10 years.

Secretary RIBICOFF. While that is true, Senator Goldwater, I think it is that increase that has caused the problem. I think it is that large increase that many of the localities have had to absorb that they have found indigestible economically, and those of us back in the States who have lived with it understand the great pressure on all the communities in the process of absorbing that large growth in the last decade.

Now you have had fantastic commitments by the States and the local communities in their State and local debt requirements, their expenditures and the increase of taxes. I think this is the reason

why we are here now, because of that large increase in the past decade.

Senator GOLDWATER. But is it not true that at the same time that enrollment has been going up 44 percent expenditures for school purposes have been going up 154 percent?

Secretary RIBICOFF. Well, after all, the prices of everything have gone up, not only in school.

Senator GOLDWATER. That is a rather unusual ratio. We have to admit the price of everything is up, and we consider it costs \$40,000 to build a classroom today where it probably cost \$20,000 thirty years ago. We admit that prices are going up. But we have a problem actually that we are facing or have faced. That has more or less peaked out and the increase will not go on at the same rate that it has gone on for the last 10 years.

Secretary RIBICOFF. Well, our figures, Senator Goldwater, would indicate that over the next 5 years our school enrollments will be increasing almost a million a year for the next 5 years.

Senator GOLDWATER. I think that would be in keeping with your figures.

Secretary RIBICOFF. Yes, for the next 5 years the school enrollments will increase a million a year, and this is where the real pressure is coming—in the next 5 years. I think the next 5 years it will not increase at the same pace.

Senator GOLDWATER. We will get back to that particular part of it. I want to explore this seeming inequity in the distribution to the States. This same fall survey I referred to in the case of New York listed Indiana classroom shortage as 1,505 and classrooms scheduled to be completed during 1959 and 1960 as 2,000. The fall survey of 1960 shows Indiana to have a shortage of 1,321 classrooms, but 2,152 are scheduled to be completed during 1960 and 1961. Now in view of the fact that Indiana seems to be keeping abreast of its classroom needs and the average teacher salary in Indiana is \$370 above the national average would it not be more in keeping with the stated purposes of the administration bill to allocate the \$59 million Indiana would receive to other States which have additional or greater educational problems? In other words, here is a State that from a figure standpoint is meeting the needs. Why should it receive money when another State probably will not be receiving it?

Secretary RIBICOFF. Well, basically while they are trying to meet the needs they still have needs based on their income and based on their number of pupils. They could take their funds and use them to increase teachers' salaries or they could take these funds and get more teachers. Basically there is the option and the choice within the State. I think this is why this is a good bill. If one State has met its classroom needs that State can then use its funds to increase teachers' salaries or get more teachers, because in many States we find the teachers are overburdened. Another State that has a classroom problem uses the money for classrooms.

Senator GOLDWATER. But has not the pupils per classroom decreased in the last 6 years from 30.6 down to 28.1?

Secretary RIBICOFF. Well, that is so. Yet many teachers in certain classes are still overburdened.

Senator GOLDWATER. Well, I cannot quite remember the size of the classes that I had when I was in school, but I am sure they were over 30, and I do not recall the teachers complaining too much about it.

We are constantly decreasing this pupil-per-classroom ratio, and I think a lot of the argument that is used here today is based on the assumption that all of a sudden the local efforts are going to cease when the local efforts have been providing the necessary increases over the last 10-year period in classrooms, teachers, and so forth.

I cannot understand why if there is a need that is greater in some States, and you say there is, we have to recognize that, why we give money to States that seem to be solving their problem.

Secretary RIBICOFF. Well, I don't think there is a State that has actually solved its problem in education. I think the demands on all alike are great and will continue. Going back to these figures of the actual growth and the percentage, they indicate that from 1946-1959 our Federal debt increased by 6 percent, State and local soared by 300 percent, which indicates what has happened to our State and local communities.

Senator CLARK (presiding pro tempore). Is not this also true with respect to State and local taxes?

Secretary RIBICOFF. Oh, yes. The Federal tax dollars have increased 85 percent in the postwar years. State and local communities had to increase their tax revenues by 221 percent.

Senator GOLDWATER. Does not that show a willingness on the part of the local people to take care of their school needs?

Secretary RIBICOFF. When you say willingness it has not been a happy willingness. It has been a grudging acquiescence.

Senator GOLDWATER. No taxpayer likes taxes.

Secretary RIBICOFF. That is right, and the grumbling gets deeper and deeper and the capacity of many communities becomes more and more exhausted, and what we have had because of the last 10 years, the growth that you yourself pointed to, Senator Goldwater, I think we are reaching the maximum income of these local communities.

Senator CLARK. Sir, the Secretary has been a Governor and I have been a mayor. I think we can testify we have come pretty nearly to the end of the barrel as far as increasing both State and municipal taxes for school purposes.

Secretary RIBICOFF. I know it has been a continuous headache to me as a Governor watching the problems of the community. I know that communities are finding it more and more difficult to do. The State governments are finding it increasingly more difficult. Taxes are going up in the communities and the States.

Senator CLARK. Is this not in large measure due to the fact that the Federal Government has usurped the most fair and progressive form of taxation, income tax, so the school districts are thrown back on property tax and on the sales tax and other taxations?

Secretary RIBICOFF. Your statement is correct.

Senator GOLDWATER. Of course, this, my friend from Pennsylvania, and former Governor of Connecticut, just strengthens my constant argument that the Federal Government has grown so big and so costly that we are going to see more of a trend in the direction of Federal Government in all of our affairs, while I think the Federal Government can, by the allowance of deduction and credits on taxes for purposes which we discussed this morning, alleviate the burden at the local level and allow the local level, the local community to continue their rather remarkable growth that they have had.

For instance, from 1939 to 1959 we have had an increase of 642 percent in school expenditures at the local level. We have had an enrollment of pupil increase of 56 percent. Again I think the local level was not probably clear across the United States, but the local level is showing a willingness to take care of this need and have been taking care of the need in most of the cases.

I have been on this Education Subcommittee for the time I have been in the Senate. I have never been satisfied that every State is making a genuine effort to properly raise money for school purposes, and there is not the great disparity between the poorest State and the richest State from the standpoint of total wealth, wealth of property, income, and so forth, to convince me that the so-called poorer States cannot make a greater effort toward solving their problem.

You look at it from per capita income basis, yes, it looks impossible. When we look at it as taxable wealth I do not think you would find it is impossible. We in Arizona, which is not a rich State, we are rich in many things but we are not rich in money compared to the rest of the States, we fall a little below the median, we have been able to handle our school problems out there by, as I said earlier, an addition in the sales tax.

One more example here, referring to the fall survey again, the State of Wyoming had a shortage of 263 classrooms and 241 classrooms are scheduled for completion during 1960 and 1961, leaving a shortage of only 22 classrooms. Now under the proposed program Wyoming would receive, over a 3-year period, \$5,410,000. Does not this seem to be quite a bit of money to solve such a small problem as 22 classrooms?

Secretary RIBICOFF. No, I would say the problem is not classrooms, but teachers. Frankly, Senator Goldwater, if you were to give me the choice I would do it with teachers' salaries instead of classrooms. I think this is the great problem for education. I have never felt that you get an education from a classroom. I think you get an education from a teacher. I think one of the problems that you and I might be in agreement with, that there are many school buildings being built that are too expensive. I think many classrooms are a monument to the ego of the school board who wants a fancy building so they have their name on the cornerstone. I think we can probably build classrooms across this country much cheaper and not as fancy, but I do think that if we are ever going to solve the education crisis we must do it with better teachers, and to get better teachers, Senator Goldwater, we are going to have to pay them a better wage than they are getting at the present time.

Senator GOLDWATER. I think you and I are in complete agreement on this education problem. I think we agree that it is not a question of numbers. It is a question of quality, and during the years of listening to teachers, almost universally the top educators of our country agree that the high school level is deficient, and they give various reason for it. I think one of the best reasons I have heard is that the family is not doing its job at the basic level of the elementary school, the first, second, third and fourth grades, where the teachers' abilities are not being used to dispense education, but are being used to take care of the failure of the family to teach their children the basic needs of life, blowing one's nose, being nice to each other, gentlemanlylike

and ladylike, and so forth, and this is carried on up into the high school until we find in your suggestion that we might have some programs in high school to improve the reading ability of the student. Well, I do not recall ever having a problem when the children were taught their A, B, C's. If they are taught automobile driving and life adjustment and we do not teach them that two and two are four and we do not teach them English and history I think we can expect no matter how much we spend, no matter how much we pay a teacher, no matter how big we build the building, that we are never going to improve the education of our young people until we get back to these fundamentals.

I agree with you that teachers constitute a very big part of this program. From the figures that are available from your office I am convinced that we are meeting our classroom shortage needs and that we can continue to meet our classroom shortage needs.

I remember when I was chairman of this committee, the dim dark days when the Republicans had the Congress—I can barely remember it, but I recall speaking with Mrs. Hobby and she showed charts. I think the classroom shortage at that time, 1953, was in the nature of 650,000, and yet today, despite 10 years where we have been constructing classrooms at the rate of over 69,000 a year, yet your figures show that we are going forward.

But I better get on with my questions.

Secretary RIBICOFF. I just wonder if I can add a postscript to what you said. In your last comment I agree with you 100 percent. I have said we should not be afraid of new ideas and we should not be afraid of old ideas either, Senator Goldwater, and maybe in the field of education we could go back to a lot of old ideas that have been tossed out of the window and maybe they are pretty good ideas for today, too.

Senator GOLDWATER. I agree with this. Now figures that have been released by the Office of Education disclose that between 1956 and 1961 a total of 341,300 classrooms have been constructed, an average of 69,860 a year, or almost 10,000 more classrooms a year than the number President Kennedy says we must construct in the next 10 years. Now continuing this rate for the next 2 years alone, 139,720 classrooms will be constructed almost wiping out the alleged shortage. In view of these figures why is it necessary to have the Federal Government spend money for classrooms?

Secretary RIBICOFF. The figures that we have show that we need 416,600 classrooms in the next 5-year period. I am sorry, how many did you say?

Senator GOLDWATER. President Kennedy says we need around 60,000 classrooms a year for the next 10 years, or 600,000 classrooms, and this seems to be the same, approximately the same figure that faced us 10 years ago. Yet in that 10-year period we have been averaging over that, in the last 5-year period averaged almost 70,000 classrooms.

Secretary RIBICOFF. The figures indicate that we have a backlog at the present time of 131,000 and that we will need another 416,000.

Senator GOLDWATER. In how long a period?

Secretary RIBICOFF. Next 5 years.

Senator GOLDWATER. Next 5 years. Well, the present rate would more than wipe out the present backlog, and the present rates would take care of your—in fact, the present rate is more than President Ken-



nedy is asking for. Now if he needs 600,000-and-some-odd classrooms in the next 10 years he is going to get it under the way we are going today.

The point is we have taken care of the problem in the past, we have taken care of it currently, there is no reason to believe we will not continue to take care of it at the local level.

Secretary RIBICOFF. Except in the process of taking care of it the States and localities have gone into such a great debt that now they find it difficult to go into further debt.

Senator GOLDWATER. Well, a year ago, about a year ago Secretary Flemming indicated that the number of school districts in this country who had exceeded, reached or exceeded their bond limitations amounted to some 237 out of the 42,000, or less than one-half of 1 per cent. Have you uprated that figure this year?

Secretary RIBICOFF. Mr. Flynt tells me that 237 was the technical legal limitation due to constitutional or statutory restriction, but practically there are more. If they borrow so high that their credit rating would be very bad they probably will have great difficulty floating additional bonds.

Senator GOLDWATER. If you have made a study of this, you must have, I would like to have the record show what the current position is relative to school districts that have met or exceeded their bond limitation and the total number of school districts in the country.

Secretary RIBICOFF. That will be supplied to you, Senator Goldwater.

(The material referred to above follows:)

#### STATEMENT REGARDING SURVEY OF BORROWED-UP DISTRICTS

In January 1960 the Office of Education made a survey for the very limited purpose of determining the public school classroom shortage in school districts which had exhausted their legal capacity to incur debt and which were unable to finance school construction by other means. Each chief State school officer was requested by telegram to indicate the number of school districts in his State "which are unable to borrow because of legal debt limits which cannot be waived or changed except by State legislation or constitutional amendment, and are unable to obtain financing for school construction through other arrangements." Attached is the report of the survey entitled "Survey of Public School Classroom Shortages in the Fall of 1959 in Borrowed-Up Districts," February 1960.

The survey was made to determine the extent to which school districts with classroom shortages would be legally unable, without prior legislation or State constitution amendment, to participate in a program of Federal-State debt service assistance for school construction. The survey showed that being legally "borrowed-up" is a very minor cause of inability to construct needed classrooms. For example, 25 of the 45 States reporting indicated no borrowed-up districts at all, but these States had a little over half of the classroom shortage. Even if a district has legal authority to borrow, it may be unable because of limited resources to finance additional borrowing; or it may have other financial needs, such as operating its schools, which take precedence over classroom construction.

Because of its relative insignificance as an index of the inability of school districts to undertake classroom construction, the Office of Education does not routinely maintain any record of the status of school district borrowing capacity vis-a-vis statutory or constitutional limitations. Accordingly, inasmuch as there has been no need since January 1960 to repeat the survey, no data are available regarding public school classroom shortages in borrowed-up districts which are more recent than those contained in the attached survey report.



## BORROWED-UP DISTRICTS

*Purpose.*—This survey was undertaken to provide data on one specific aspect of the classroom shortage—namely, the classroom shortage in borrowed-up school districts which have exhausted all sources of borrowing for construction that are available to them.

*Limitation.*—Only a small part of the problem of financing school construction is measured by this survey, because there are many problems other than those caused by the ultimate legal limits of borrowing. This point was strongly emphasized by the respondents, as may be seen by reference to the table annotations for Kentucky, New Jersey, Pennsylvania, and Tennessee.

*Definition.*—The definition of a “borrowed-up” district has been made narrow and restricted. A district does not count as borrowed-up if the obstacle is voter approval, or administrative action by State or local officials. On the other hand, if legislative action or constitutional amendment is necessary to borrow further, then the district is counted as borrowed-up (except in two States where legislative action is customary in school bonding). See also the fuller definition in the survey instrument, the full text of which is given later.

Some States counted districts which had a margin of local or other borrowing power left, but which could not borrow enough to eliminate their classroom shortage. These cases are distinguished in the table annotations.

Because of the complexity of the field, no definition of a borrowed-up district is going to fit every State. In some States there is considerable latitude for interpretation of the statistics. The extensive annotations following the State table give details reported by the States relating to definition and interpretation of the data supplied.

The term “school district” includes basic administrative school units, such as city school systems, which may not be independent units of government.

*Survey results.*—In summary, 45 of the 50 States supplied data on the classroom shortage in borrowed-up districts.

Thirty States reported no classroom shortages in borrowed-up districts (including Maryland and Rhode Island, where legislative action on school bonds is customary). These States enroll 67 percent of the pupils in the 50 States, and they contain likewise 67 percent of the classroom shortage.

Fifteen States reported the amount of classroom shortage in borrowed-up districts. These States enrolled 18 percent of the pupils, and contained within their borders a classroom shortage of 26,512 (20 percent of the total classroom shortage for the 50 States). The classroom shortage in borrowed-up districts was 3,056 to 3,086 classrooms. These were located in 237 borrowed-up school districts, with a total enrollment less than 541,059. Of these 237 districts, 104 to 107 had an enrollment of less than 600 each.

Five States could not provide the data needed (including Illinois, which reported a classroom shortage existing in borrowed-up districts, but did not report the number of classrooms). These States taken together served 15 percent of the enrollment and had a total shortage of 17,191 classrooms (13 percent of the total for the 50 States).

The classroom shortage of 3,086 in borrowed-up districts is 12 percent of the total classroom shortage in the 15 States reporting such districts. It is 3 percent of the total classroom shortage in the 45 States from which full data were obtained.

Thus, in the Nation as a whole, legal barriers to borrowing are not the major obstacle to elimination of the classroom shortage, when all possible sources of borrowing legally open to the district are taken into account.

*Cost.*—A total of \$123 million would be required to build the 3,086 classrooms needed in the fall of 1959 in the borrowed-up districts of the 45 States reporting, at an average cost of \$40,000 per classroom, including site, equipment, and associated facilities.

*Other parts of the United States.*—Aside from the 50 States, the only substantial classroom shortages are in Puerto Rico and the District of Columbia. In neither case does the concept of borrowed-up district apply. In Puerto Rico, school construction is a responsibility of the territorial government. In the District of Columbia, the Federal Government participates directly in fiscal affairs, and school construction is not financed by borrowing.

*Survey procedure.*—In order to get results as quickly as possible, the survey instrument took the form of a telegram from Commissioner Derthick to the chief State school officers of the 50 States. The telegrams went out late Friday afternoon, January 8, and the survey was closed out the following Friday.

Numerous telephone calls were made to secure the data, to answer questions raised by the respondents, and to clarify the interpretation of the replies.

The telegram was pretested as to understanding by the recipients through telephone discussions with officials in four State education departments.

Prior to the launching of this survey, discussions and letters had been exchanged in five States to take preliminary soundings of the type of data later incorporated in the survey.

*Related data.*—Broad background was provided by the detailed descriptive materials on debt limits, State loan plans, authority plans, and financing of capital outlay in general which are compiled and published by the School Finance Section of the Office of Education.

Despite the wealth of related information available, nothing exactly comparable to the results of this survey have been provided before. A survey conducted by the National Education Association in April 1958 inquired about the percent of districts in each State that had reached practical or legal debt limits. The definition of borrowed-up school districts as used here is not at all the same as in this earlier survey, and data on classrooms and enrollment in such districts have not been previously collected.

#### TEXT OF THE TELEGRAM TO CHIEF STATE SCHOOL OFFICERS

"The Office of Education urgently needs information on classroom shortages and on borrowed-up school districts—that is, school districts or school systems which are unable to borrow because of legal debt limits which cannot be waived or changed except by State legislation or constitutional amendment, and are unable to obtain financing for school construction through other arrangements. Please reply by collect telegram by Wednesday, January 13. If actual data are unavailable, please estimate and so indicate. If answer is zero, please reply.

"Do not count as a borrowed-up school district any district which can obtain funds for school construction (1) through State or local authority arrangements, or by loans which can be made available by State agencies without further State legislation, (2) through borrowing by municipalities, counties, or similar units, or (3) through administrative approval of maximum emergency debt limits by State or local officials. Also exclude districts which could borrow or exceed debt limits by local vote of approval, or which did not choose to borrow.

"In responding please utilize definitions of classroom shortage and enrollment given in our form RSS-052 (59), 'Fall 1959 Survey of Enrollment, Teachers, and Schoolhousing.'

"Question 1. How many such borrowed-up districts are there in your State?

"(2) How many of these districts had a classroom shortage in the fall of 1959?

"(3) By how many classrooms were the districts in question 2 short?

"(4) What was the total enrollment in the districts in question 2 in the fall of 1959?

"(5) How many districts in question 2 had an enrollment of less than 600 each?

"If you have questions, call Dr. Louis Conger, Executive 3-6300, extension 4944 or 5454, at Office of Education expense.

"LAWRENCE G. DERTHICK,  
"Commissioner of Education."

TABLE 7a.—*Summary table—Survey of public school classroom shortages in the fall of 1959 in borrowed-up districts*

(For detail, see State table and annotations)

## In 50 States:

Number of States reporting full data on classroom shortages in borrowed-up districts-----	45
Number of States unable to report full data-----	<sup>1</sup> 5

## BORROWED-UP DISTRICTS WITH CLASSROOM SHORTAGES

## In 45 States with full data:

Number of States without classroom shortages in borrowed-up districts-----	<sup>2</sup> 30
Number of States with classroom shortages in borrowed-up districts-----	<sup>3</sup> 15

## In 15 States with classroom shortages in borrowed-up districts:

Number of borrowed-up districts with classroom shortages---	237
Classroom shortage in these 237 districts-----	3, 056-3, 086
Estimated total cost of building 3,086 classrooms at \$40,000 total cost per classroom-----	\$123, 000, 000
Total enrollment in these 237 districts (less than)---	<sup>4</sup> 541, 059
Number of these 237 districts with enrollment less than 600 each-----	104-107
Total number of school districts in these 15 States-----	10, 793
Total statewide classroom shortage in these 15 States-----	26, 512
Total statewide enrollment in these 15 States-----	6, 259, 214

## BORROWED-UP DISTRICTS

## In 45 States with full data:

Number of States without borrowed-up districts-----	<sup>2</sup> 28
Number of States with borrowed-up districts-----	<sup>5</sup> 17

## In 17 States with borrowed-up districts:

Number of borrowed-up districts-----	396
Total number of school districts in these 17 States-----	14, 793

<sup>1</sup> Alabama, Illinois (partial data reported), Kansas, Ohio, South Carolina.<sup>2</sup> Included among States without borrowed-up districts are Maryland and Rhode Island (legislative action customary in school bond issues) and Texas (few, if any, borrowed-up school districts).<sup>3</sup> Alaska, Arizona, Arkansas, Colorado, Georgia, Idaho, Iowa, Maine, Minnesota, Missouri, New Mexico, Oklahoma, Oregon, Utah, and West Virginia. Excludes Illinois, which reported partial data.<sup>4</sup> Includes enrollment for all borrowed-up districts in Arkansas and Idaho.<sup>5</sup> Montana, South Dakota, and the 15 States in footnote 3.

TABLE 8.—Selected characteristics of borrowed-up school districts with classroom shortages: Fall 1959

State  (1)	Borrowed-up districts <sup>1</sup>					Related data, State totals, fall 1959		
	Number of districts  (2)	With classroom shortage, fall 1959				Classroom shortage  (7)	Enrollment  (8)	Number of school districts (basic administrative units)  (9)
		Number of districts  (3)	Classroom shortage  (4)	Enrollment  (5)	Number of districts with enrollment of less than 600 each  (6)			
United States (50 States).....						<sup>1</sup> 131, 774	35, 169, 590	40, 604
Alabama.....	(3)	(3)	(3)	(3)	(3)	6, 364	775, 981	114
Alaska.....	24	13	137	25, 263	8	293	39, 449	29
Arizona.....	<sup>4</sup> 15	<sup>4</sup> 14	<sup>4</sup> 238	<sup>4</sup> 47, 000	<sup>4</sup> 5	1, 676	280, 369	297
Arkansas.....	50	22	156	( <sup>1</sup> )	14	2, 197	422, 000	422
California.....	0	0	0	0	0	4, 600	3, 230, 000	1, 721
Colorado.....	6	6	170 200	29, 582	0	1, 125	378, 000	475
Connecticut.....	0	0	0	0	0	952	460, 311	178
Delaware.....	0	0	0	0	0	111	77, 761	94
Florida.....	0	0	0	0	0	4, 791	919, 491	67
Georgia.....	<sup>4</sup> 15	<sup>4</sup> 12	<sup>4</sup> 130	<sup>4</sup> 104, 000	0	4, 526	930, 624	198
Hawaii.....	0	0	0	0	0	174	140, 491	1
Idaho.....	17	7	87	( <sup>3</sup> )	2	761	155, 890	150
Illinois.....	<sup>4</sup> 164	<sup>4</sup> 164	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	4, 590	1, 603, 001	1, 700
Indiana.....	0	0	0	0	0	1, 505	940, 000	961
Iowa.....	6	6	73	11, 677	0	1, 300	567, 253	2, 052
Kansas.....	(3)	(3)	(3)	(3)	(3)	( <sup>3</sup> )	458, 000	2, 585
Kentucky.....	0	0	0	0	0	8, 618	610, 992	212
Louisiana.....	0	0	0	0	0	2, 003	701, 000	67
Maine.....	23	23	74	2, 656	23	770	197, 035	475
Maryland.....	(6)	(6)	(6)	(6)	(6)	3, 430	583, 015	24
Massachusetts.....	0	0	0	0	0	3, 132	829, 327	372
Michigan.....	0	0	0	0	0	8, 700	1, 641, 167	2, 150
Minnesota.....	7	7	270	22, 894	0	3, 941	676, 800	2, 600
Mississippi.....	0	0	0	0	0	3, 686	560, 000	151
Missouri.....	129	65	1, 134	134, 655	15	4, 156	805, 000	1, 960
Montana.....	19	0	0	0	0	572	142, 850	900
Nebraska.....	0	0	0	0	0	521	274, 262	3, 800
Nevada.....	0	0	0	0	0	269	60, 279	17
New Hampshire.....	0	0	0	0	0	312	102, 421	230
New Jersey.....	0	0	0	0	0	3, 728	1, 012, 000	585
New Mexico.....	6	3	26	3, 909	(6)	1, 078	211, 334	93

New York.....	0	0	0	0	0	13,000	2,735,000	1,373
North Carolina.....	0	0	0	0	0	3,412	1,089,742	174
North Dakota.....	0	0	0	0	0	350	130,173	1,600
Ohio.....	(3)	(3)	(3)	(3)	(3)	2,634	1,832,479	975
Oklahoma.....	39	39	124	25,042	29	1,009	535,000	1,322
Oregon.....	14	14	69	6,555	7	694	379,699	625
Pennsylvania.....	0	0	0	0	0	8,135	1,948,985	950
Rhode Island.....	(7)	(7)	(7)	(7)	(7)	416	128,406	39
South Carolina.....	(3)	(3)	(3)	(3)	(3)	1,801	573,084	108
South Dakota.....	12	0	0	0	0	554	147,778	3,100
Tennessee.....	0	0	0	0	0	2,245	779,928	153
Texas.....	(*)	(*)	(*)	(*)	(*)	4,557	2,081,540	1,583
Utah.....	7	5	347	83,739	1	925	228,826	40
Vermont.....	0	0	0	0	0	969	72,822	265
Virginia.....	0	0	0	0	0	4,345	820,578	129
Washington.....	0	0	0	0	0	2,272	609,024	412
West Virginia.....	1	1	17	4,535	0	2,061	451,875	55
Wisconsin.....	0	0	0	0	0	310	700,000	2,800
Wyoming.....	0	0	0	0	0	102	75,488	221

1 Definition of borrowed-up school district given in accompanying text.

2 Total in column 7 includes estimate for nonreporting States.

3 Not available.

4 Estimated.

5 No reply.

6 Legislative approval required on all bond issues.

7 Most districts require legislative approval to borrow further.

8 Few, if any districts.

Sources: Cols. 2-6, OE telegraph survey to chief State school officers.

Cols. 7-8; OE Circular 604, "Fall 1959 Survey of Enrollment, Teachers, and School housing."

Col. 9; NEA Research Division, Research Report 1959-R23, "Estimates of School Statistics, 1959-60."

ANNOTATIONS ON DATA, SOURCES OF DATA, AND SELECTED COMMENTS FROM  
RESPONDENTS

[Comments of survey staff are enclosed in brackets]

*Alabama.*—Sources: Letter from Supt. Frank R. Stewart and telephone communication with N. F. Greenhill, director of administration and finance.

A reliable estimate for the State cannot be supplied, although borrowed-up districts are known to exist. Local borrowing in Alabama is not limited by the amount of debt, but by the levy necessary to pay principal and interest on all debt. Not all districts can reach the maximum because according to statute, the State commissioner of education shall not approve the issue of any warrants which would jeopardize the minimum State program of education as prescribed by law and in accordance with the rules and regulations of the State board of education.

Act No. 126 of the special second session of the 1959 legislature provides for the sale of school building bonds in the amount of \$100 million of which \$74 million is for public elementary and high schools. Each county, including the independent city school systems therein, will receive a flat grant of \$250,000. All of the remainder will be distributed on a teacher unit basis, one-half of which must be matched. No plans for the sale of the bonds have been announced.

*Alaska.*—Source: Telegram from Commissioner Theo J. Norby.

Enrollment figures are given in terms of average daily membership. Small schools are necessary due to sparsity of population, isolation, and transportation problems. Also there are 106 schools which are directly operated by the State department of education. Building costs double that in other States.

*Arizona.*—Source: Telegram from G. W. Harrell, director of research and finance. All figures are estimates.

*Arkansas.*—Sources: Telegram from Commissioner A. W. Ford, and letter and telephone communication with Frank Cannaday, supervisor of statistics.

Statistics include districts having less than \$20,000 legal borrowing power. Enrollment in the 56 borrowed-up districts is 29,560, and 46 of them have less than 600 enrolled.

*California.*—Source: Telegram from Wallace W. Hall, associate superintendent for public school administration. California does not have any school districts that are unable to obtain financing for school construction. School districts that are bonded to their maximum capacity under certain conditions are eligible to receive State building aid loans.

*Colorado.*—Sources: Telegram from Acting Commissioner John Swenson and telephone communication with Ward Vining, chief of Federal grants.

The classroom shortage of 170 to 200 is virtually confined to the metropolitan areas of the State. If moneys available under Public Law 815 are considered, the classroom shortage would be reduced by 30 to 50.

*Connecticut.*—Sources: Telegram from Commissioner William J. Sanders and telephone communication with Maurice Ross, chief of research, statistics, and finance. Connecticut statutes make it possible for any school district to secure additional grants for school building when they exceed their legal limit.

*Delaware.*—Source: Telegram from Supt. George R. Miller, Jr.

*Florida.*—Sources: Telegram from Supt. Thomas D. Bailey and telephone communication with Mitchell Wade, specialist in research and statistics.

Six counties have been unable to sell State board of education bonds because of the constitutional interest limit of 4 percent. These six districts have not yet reached the 20-percent maximum debt limit.

*Georgia.*—Sources: Telephone communication with Supt. Claude L. Purcell and Allen Smith, director of school administration.

The statistics include 5 districts at the borrowing limit and an estimated 10 districts unable to build needed classrooms within the limit. The amount available through State school building authority is limited by legislative authorizations.

*Hawaii.*—Source: Cablegram from State education department.

*Idaho.*—Source: Telegram from Allen P. Jeffries, director of research and statistics.

Statistics in table are for districts at 15 percent temporary legal maximum, which will revert to 10 percent in March 1961 unless extended by the legislature. Forty districts are at, or above, the 10-percent point, with a classroom shortage of 263. Enrollment in the 17 districts at the 15-percent maximum is 9,992.

*Illinois.*—Sources: Telegram and telephone communication from Supt. George T. Wilkins.

Statistics include 14 districts borrowed to the limit and 150 more districts which have too little bonding power to build rooms needed. Detailed data on classrooms not available. The total amount presently available in the State school building fund might cover the classroom requirements in the 14 districts at maximum limits but this would leave little or nothing for the other districts in the State.

*Indiana.*—Source: Telegram and telephone communication from Joseph Wilhelm, director of research, and telephone communication with Richard Barr, fiscal officer. Indiana law provides school building authority which could provide needed facilities but would put undue financial burden on local districts in meeting repayments.

*Iowa.*—Sources: Telegram and telephone communication from Supt. J. C. Wright.

Statistics include six districts within a few thousand dollars of the bonding limit. All of them are in suburban areas.

*Kansas.*—Source: Telegram from Supt. Adel F. Throckmorton.

Policy of State education agency is not to estimate in area of school facilities needed, nor is there official data as to districts unable to borrow because of debt limitations.

*Kentucky.*—Source: Telephone communication from Asst. Supt. Ted C. Gilbert.

According to the office of education definition, Kentucky has no borrowed-up districts in a technical sense, because there is a provision for extra borrowing through school building holding companies. However, this law is not used, and is considered impractical and unrealistic. [Among other requirements, the district must have the financial ability to pay the rentals.]

*Louisiana.*—Source: Letter from J. Berton Gremillion, director of research and statistics.

The statistics refer to debt limit of basic school units (parishes) as a whole. The trend has been toward a parishwide (countywide) organization for capital outlay purposes. It is quite possible that there may be a few isolated school districts that are unable to meet building needs in terms of the present 25 percent assessed valuation of property.

*Maine.*—Sources: Telegram from Commissioner Warren G. Hill and telephone communication with Deputy Commissioner Kermit S. Nickerson.

The statistics include districts which are unable to meet building needs within local debt limits plus 12.5 percent of full valuation available through the State school building authority.

*Maryland.*—Sources: Telegram from Asst. Supt. William S. Sartorius, and data given in office of education publication Miscellany No. 32, "Financing Public School Facilities." The telegram reads "In answer to your teletype questionnaire of January 8, 1960, there are no borrowed-up districts in Maryland." [The definition of borrowed-up district is unsuitable in Maryland, because every school bond must be approved by the legislature. Debt limits as such are nonexistent or not yet reached (in the case of chartered counties). Thus, from the standpoint of debt limits, there are no borrowed-up districts. From the standpoint of the necessity of legislative action, all districts are borrowed up.]

*Massachusetts.*—Source: Telegram from Acting Commissioner William F. Young, Jr. "Communities can obtain funds for school construction beyond debt limits under chapter 645, acts 1948, with approval of emergency finance board." [This is a State grant program.]

*Michigan.*—Source: Telegram from Paul Voskuil, State education department consultant for school bond loan program.

*Minnesota.*—Sources: Telegram and telephone communication from Commissioner Dean M. Schweickhard.

The school construction loan fund is all committed and not available to the seven districts listed.

*Mississippi.*—Source: Telegram from Supt. J. M. Tubb.

*Missouri.*—Sources: Telegram from Commissioner Hubert Wheeler, and telephone communication with Asst. Commissioner H. Kenneth Kirchner.

Statistics in table include districts above 80 percent of bonding capacity, which for all practical purposes are borrowed up. There are 85 districts above 90 percent of bonding capacity, 35 of which have classroom shortages totaling 562 classrooms. Enrollment in these 35 districts is 49,532; 13 of these districts have enrollment less than 600.

*Montana.*—Source: Telegram from Deputy Supt. Paul T. O'Hara.



Enrollment in the 19 borrowed-up districts is 1,674; all are under 600 each. [Montana has separate elementary and secondary districts.]

*Nebraska.*—Sources: Telephone communication with Commissioner Freeman B. Decker and telegram from Donald Bush, director school plant services.

*Nevada.*—Source: Telegram from Asst. Supt. Dwight F. Dilts.

*New Hampshire.*—Sources: Telegram from Commissioner Charles F. Ritch, Jr., and telephone communication with Paul R. Fillion, chief of administration.

*New Jersey.*—Source: Letter from Asst. Commissioner Kenneth F. Woodbury.

Provision to exceed debt limit with approval of State commissioner of education and the division of local government (State treasury department) is no guarantee against the existence of school districts with a serious financial problem. More than half of the school districts have exceeded their borrowing capacity for construction at least once during the past 10 years.

*New Mexico.*—Source: Telegram from Tom D. Riddle, director of division of statistics.

Statistics do not include shortage of 1,000 classrooms in partially bonded districts that cannot supply rooms with bonding potential should they vote the limit allowed.

*New York.*—Sources: Telegram and telephone communication from Asst. Commissioner Lorne H. Wollatt.

*North Carolina.*—Source: Telegram from Supt. Charles F. Carroll.

Some counties are rapidly approaching legal debt limits.

*North Dakota.*—Source: Telephone communication with Supt. M. F. Peterson.

*Ohio.*—Sources: Telegram from Supt. E. E. Holt and telephone communication with Robert P. Beynon, director of research.

No basis for an estimate of borrowed-up school districts.

*Oklahoma.*—Source: Telephone communication with Supt. Oliver Hodge.

Statistics include districts at 90 percent or more of borrowing capacity as of 1959-60.

*Oregon.*—Source: Telegram from Delos D. Williams, director of schoolhouse planning.

Statistics include districts with insufficient bonding capacity to take care of classroom needs.

*Pennsylvania.*—Source: Telephone communication with Carl D. Morneweck, director of research.

Although technically there are no borrowed-up districts, districts actually cannot borrow in many cases because bonds cannot be sold.

*Rhode Island.*—Sources: Telegram and telephone communication from Assistant Commissioner E. Gil Boyer. "State limitations on tax rates in Rhode Island are such that most communities already have borrowed beyond 'legal limits.' Consequently, this question has little or no meaning in this State since exceeding the legal limit is done regularly every year upon application to the legislature."

*South Carolina.*—Source: Telegram from Supt. Jesse T. Anderson.

*South Dakota.*—Source: Telegram from Supt. M. F. Coddington.

*Tennessee.*—Sources: Telegram from Commissioner Joe Morgan, and telephone communication with R. E. Brinkley, executive assistant, and with T. Wesley Pickel, coordinator of school plant, pupil transportation, and special services.

There is no definite debt limit, but in practice the bond market for counties and municipalities with debt of 10 percent or more is very restricted and interest rates get prohibitive. There are 87 districts bonded 10 percent or more of their assessed valuation, with a shortage of 1,534 classrooms and a total enrollment of 312,161 pupils. Thirty school districts are bonded 20 percent or more, with a shortage of 540 classrooms and an enrollment of 112,502.

*Texas.*—Source: Telegram from Commissioner J. W. Edgar. "The recent statewide study of Texas public school education authorized by the Texas Legislature indicated there were very few, if any, school districts in Texas that could not provide all additional classrooms needed by using maximum property valuations and bond debt limits permitted by Texas statutes. Several of the districts on the local ability borderline have received considerable building funds under Public Law 815." [Maximum property valuations may imply reassessment.]

*Utah.*—Source: Telegram from Supt. E. Allen Bateman.

Of the 347 classrooms needed in borrowed-up districts, 321 are needed for excess enrollment and 26 for unsatisfactory rooms.

*Vermont.*—Source: Telegram from Commissioner A. John Holden, Jr.

*Virginia*.—Sources: Telegram from Commissioner Davis Y. Paschall, and telephone communication with John G. Blount, Jr., director of finance and administration. [Debt limits in Virginia apply only to cities.]

*Washington*.—Source: Telegram from Supt. Lloyd J. Andrews.

*West Virginia*.—Sources: Letter and telephone communication from Kathleen Kirwood, statistician.

*Wisconsin*.—Source: Telegram from Assistant Supt. Arthur R. Page.

*Wyoming*.—Source: Telegram from Sidney C. Warner, fiscal agent.

Senator GOLDWATER. I would like to say it is interesting to note when talking about a taxpayer's revolt it does not seem to be borne out by the facts. The amount of the bond issues voted has shown a steady increase, sales of State and local securities have risen year after year. For example, in 1956 we had sales of 5.4 billion in bonds in this country. In 1959 it had risen to 7.7 billion, a steady increase, which again rather bears out the contention that the local level has been doing a good job and will do even a better job if the Federal Government can give up some of its tax prerogatives. I think you, as a former Governor, know that better than I do.

Now, to get to this question, the administration bill will allocate approximately \$2.3 billion to the States over a 3-year period for school purposes. During this same period the States and local communities will spend over \$48 billion for all public school needs. The Federal grant represents less than one-half of 1 percent of the amount that the States and local communities will spend. I cannot understand how anybody can say that one-half of 1 percent is going to solve a problem. This is the thing I find difficult to understand in the whole approach of the Kennedy administration to all of the problems, that if this approach is good why not go the full way and spend an amount of money that you feel and others feel should be spent? One-half of 1 percent certainly is not going to solve anything. It will build classrooms at a far, far lower rate than we are building them today.

Secretary RIBICOFF. Well, the President has said in the bill that this is a modest program. The reason the program is this size and not a larger size, Senator Goldwater, is because the President has other responsibilities, and you take into account all your responsibilities in evaluating your need and how you shall spend the money that you have got. So when you talk about a larger program taking into account the entire picture of the income and outgo and expenditures the amount advocated by the President is consistent with his other responsibilities as to what he may recommend to the Congress of the United States.

Senator GOLDWATER. Well, I will agree with you on that, but it still does not seem to me if we have this problem in education, the problem of increasing teachers' salaries and building more classrooms, and so forth, that one-half of 1 percent of the total school expenditures added to what will be spent is going to solve the problem. I think it points up the whole wrongness in this approach. Now if this one-half of 1 percent is the amount that the President feels is needed to bring standards up to a national level then why not expect the local people to add on one-half of 1 percent? That is no astronomical amount. If it is a national amount of 10 percent or 15 percent or 20 percent, I could see some reason, but not one-half of 1 percent.

Secretary RIBICOFF. I would say again the figures supplied by my statistician indicate what is being proposed will amount to 4 percent, not one-half of 1 percent.

Senator GOLDWATER. Well, I got my figures from the National Education Association and your sources, too, and my figures show that there will be 48 billion—we can expect \$48 billion to be spent over the same period that your measure would cover while the rate has been going up, not going down in this country—the rate of expenditure for school purposes.

Secretary RIBICOFF. I would suggest the staff send you their arithmetic on it. You are certainly entitled to it. They say it is 4 percent.

Senator CLARK. Mr. Secretary, if the Senator would yield, this business of answering statistical questions is a pretty tricky one, and I wonder whether you would not want to have a look at the transcript of the hearing when it comes back from the reporter and furnish us with a memorandum which might clarify some of these abstruse discussions which we are getting into.

Secretary RIBICOFF. That is a very good suggestion, and when we get the transcript back wherever figures should be supplied at that point in the transcript if we have permission, Mr. Chairman, may we insert that in the record?

Senator CLARK. You would not object to that, would you, Senator Goldwater?

Senator GOLDWATER. I did not hear.

Senator CLARK. I suggest whenever he has a chance to read the transcript of the testimony he might want to file with the committee a memorandum to clarify some of these statistical discussions which are a little hard to follow and answer as they come back and forth from the witness chair.

Senator GOLDWATER. I will say, Mr. Secretary, that I believe I made a mistake in my percentage calculations. One-half of 1 percent—I do not have my slide rule with me, but I judge it would be closer to 3, somewhere in the nature of 3 percent. But this is still a very small figure. I look on an emergency as something greater than 3 percent.

Secretary RIBICOFF. Let me point out, if you and I agree that the teacher is important and you talk about the amount expended is small, I will place into the record at this point a table showing what would happen if the States used their allotments for teachers' salaries. Now take your own State of Arizona. If Arizona used its allotment for teachers' salaries they would be able to raise the average amount per member of their instructional staff \$458 a year. Now take the State of Pennsylvania. If Pennsylvania decided to use its funds to increase teachers' salaries, Senator Clark, it would amount to an average of \$290 a year.

(The table referred to above follows:)

TABLE 9.—HYPOTHETICAL EFFECT ON SALARIES OF INSTRUCTIONAL STAFF IF ALL STATES USED 90 PERCENT OF THEIR ALLOTMENTS UNDER S. 1021 TO INCREASE SALARIES OF INSTRUCTIONAL STAFF, FISCAL YEAR 1962

Section 110 of S. 1021 provides that States shall distribute their Federal funds thereunder among local education agencies so as to give preference to agencies having the greatest need for additional teachers or increase in teachers' salaries and which are least able to finance such costs. The effect of States using 90 percent of their allotments for increases in instructional staff salaries (none for adding teachers) is expressed as an average increase in average salaries.

However, each salary of instructional staff within a State would not be increased by the amount shown in column 5, for the reasons explained above.

State  (1)	Number of instructional staff, 1960-61  (2)	Present estimated average salary of instructional staff, 1960-61  (3)	90-percent allotment under S. 1021 (fiscal year 1962)  (4)	Average amount per member of instructional staff <sup>1</sup>  (5)	Estimated average salary of instructional staff, 1960-61, with allotment <sup>2</sup>  (6)
Total, 50 States, District of Columbia, Guam, Puerto Rico, and Virgin Islands.....	1, 547, 450	\$ 5, 389	\$599, 399, 998	\$387	\$5, 776
Alabama.....	27, 761	3, 900	17, 722, 523	638	4, 538
Alaska.....	1, 960	6, 700	499, 500	255	6, 955
Arizona.....	12, 300	5, 830	5, 634, 248	458	6, 288
Arkansas.....	15, 800	3, 600	9, 484, 960	600	4, 200
California.....	131, 900	6, 900	47, 459, 989	360	7, 260
Colorado.....	18, 000	5, 350	6, 441, 458	358	5, 708
Connecticut.....	21, 775	6, 150	5, 940, 000	273	6, 423
Delaware.....	3, 878	5, 900	1, 039, 500	268	6, 168
Florida.....	41, 832	5, 050	17, 208, 871	411	5, 461
Georgia.....	34, 500	4, 200	19, 812, 822	574	4, 774
Hawaii.....	5, 500	5, 740	2, 809, 130	511	6, 251
Idaho.....	6, 675	4, 575	3, 384, 651	507	5, 082
Illinois.....	78, 120	5, 950	20, 979, 000	269	6, 219
Indiana.....	38, 700	5, 760	15, 260, 876	394	6, 154
Iowa.....	28, 324	4, 661	10, 152, 411	358	5, 019
Kansas.....	23, 100	4, 750	8, 501, 326	368	5, 118
Kentucky.....	25, 210	4, 231	13, 125, 498	521	4, 752
Louisiana.....	28, 453	5, 250	13, 530, 896	476	5, 726
Maine.....	8, 435	4, 300	3, 713, 333	440	4, 740
Maryland.....	25, 230	5, 905	8, 079, 003	320	6, 225
Massachusetts.....	38, 670	5, 600	10, 611, 000	274	5, 874
Michigan.....	69, 576	6, 125	24, 363, 228	350	6, 475
Minnesota.....	30, 800	5, 440	11, 756, 643	382	5, 822
Mississippi.....	20, 000	3, 560	13, 218, 871	661	4, 221
Missouri.....	32, 780	4, 800	11, 022, 127	336	5, 136
Montana.....	7, 519	4, 750	2, 627, 111	349	5, 099
Nebraska.....	14, 735	4, 140	4, 789, 133	325	4, 465
Nevada.....	2, 984	6, 000	857, 047	287	6, 287
New Hampshire.....	4, 578	4, 651	1, 560, 796	341	4, 992
New Jersey.....	49, 150	6, 065	12, 960, 000	264	6, 329
New Mexico.....	9, 657	5, 500	4, 747, 675	492	5, 992
New York.....	132, 600	6, 400	33, 885, 000	256	6, 656
North Carolina.....	40, 150	4, 250	25, 114, 936	626	4, 876
North Dakota.....	7, 828	4, 000	2, 790, 060	356	4, 356
Ohio.....	80, 571	5, 570	25, 862, 389	321	5, 891
Oklahoma.....	22, 000	4, 910	10, 756, 654	489	5, 399
Oregon.....	17, 600	5, 700	6, 386, 259	363	6, 063
Pennsylvania.....	83, 390	5, 450	24, 192, 000	290	5, 740
Rhode Island.....	6, 040	5, 700	1, 620, 000	268	5, 968
South Carolina.....	21, 595	3, 775	13, 705, 610	635	4, 410
South Dakota.....	8, 495	3, 750	2, 935, 851	346	4, 096
Tennessee.....	32, 641	4, 110	17, 588, 596	539	4, 649
Texas.....	88, 050	4, 665	36, 236, 436	412	5, 077
Utah.....	9, 500	5, 120	5, 200, 764	547	5, 667
Vermont.....	3, 361	4, 525	1, 313, 991	391	4, 916
Virginia.....	35, 263	4, 500	16, 061, 484	455	4, 955
Washington.....	27, 250	5, 735	10, 267, 536	377	6, 112
West Virginia.....	17, 500	4, 100	9, 592, 978	548	4, 648
Wisconsin.....	30, 500	5, 175	10, 453, 511	343	5, 518
Wyoming.....	4, 181	5, 100	1, 387, 221	332	5, 432
District of Columbia.....	4, 825	(4)	1, 458, 000	302	(4)
Guam.....	560	4, 028	326, 772	584	4, 613
Puerto Rico.....	15, 395	2, 760	12, 819, 506	833	3, 593
Virgin Islands.....	253	3, 800	150, 818	596	4, 396

<sup>1</sup> 90 percent allotment divided by number of instructional staff.

<sup>2</sup> Present average salary plus the amount of the allotment per 1960-61 member of the instructional staff

<sup>3</sup> Average for 50 States and District of Columbia.

<sup>4</sup> Not available.

Sources: Col. 2, NEA Research Bulletin, 1960-R15 and estimates by the U.S. Office of Education. Col. 3, NEA Research Bulletin, 1960-R15.

Senator CLARK. I can assure, you, Mr. Secretary, the \$35 million that my Commonwealth would get under this bill the third year would be very welcome indeed and would be put to good use.

Secretary RIBICOFF. And if you know what the pressures are and what the needs are for teachers' salaries I would say that in a State like Arizona an average increase of \$458 a year, believe me, will get you good teachers. I know that you are in great competition in Arizona from the State of California and the \$458 would certainly help. The average salary in Arizona today is \$5,830 as against California \$6,900. Now there is a thousand dollars difference and you have a growing State and California is a growing State, and I know California is attracting teachers from the entire—well, all over the United States because of the high rates that California pays its teachers in comparison with the rest of the Nation. And so it depends where the State itself, if the State board of education deems it necessary to expend this money.

While the money itself, the percentage might seem very small, Senator Goldwater, if this were wisely allocated it could go a long way to help solve the educational problems in any individual State if they knew how to spend this wisely.

Senator GOLDWATER. It seems to me we are getting down now to the place where this money will be used for increasing teachers' salaries.

Secretary RIBICOFF. Well, some States will not, other States will, and this depends on the State, but many of the States would use it, I would hope.

Senator GOLDWATER. I have no objection to teachers having their salaries increased, and I think we would agree that Arizona has a pretty good record standing up there 29th in the list of wealth, yet we are 1, 2, 3, 4, 5, 6, seventh in the rating of what we pay our teachers. We have always been proud of that. But we have been able to take care of that ourselves. We have not sought from the Federal Government any part of a billion dollars to pay our teachers. When the teachers have needed a raise and they have been able to present their point and are agreed with by the governing bodies they have had their raises. In fact, I see this trend generally across the United States—and I do not defend the level of the teachers' salaries in some of these States. I think some of these States should be ashamed of themselves what they pay, but since 1929 there has been 103 percent increase in teachers' salaries, and at the same time all persons working for wages in that period have had an 83 percent increase and civilian employees of the Federal Government have had a 69 percent increase.

So while we do not agree that all of their salaries are right we cannot disagree that they have been increased. Now they may have started from a lower base, but it was not a terribly lower base. For instance, in 1929 teachers got the very low salary average of \$1,400. But all persons working for wages at that time got \$1,405 and the civilian employee got \$1,900. So they started from a low base, but they have gone up, and again the local school authorities have taken care of this, and in the States that have good teachers' salaries they should be commended, and the States that have poor teachers' salaries are not to be commended at all.

Not in the same period of time, but in the longer period of time from 1900 up to the present time enrollment in the schools has increased 132 percent, but instructional staff has increased 234 percent, and in number of pupils too, in that period they started with 35.6 pupils per teacher, and in 1960, 24.7. So the teacher load, teacher salary again have been adjusted at the local level.

Senator CLARK. Is that a question, sir?

Senator GOLDWATER. Well, it is a New Frontier type of question in that it is a speech. I do not think, Mr. Chairman, I have any other questions at the present time.

I thank you, Mr. Secretary, for your very courteous response, and the figures that we have asked for I wish you would supply and any corrections you want to make feel free to make them, and I will make corrections I feel I should on my own.

Secretary RIBICOFF. And may I say, Senator Goldwater, if there are any other figures you want during the days ahead please feel free to ask and we will supply them.

Senator RANDOLPH. I believe we are all united in our desire to maintain the American educational system free from Federal control, but just as a matter of the historical record in this respect, is my understanding correct, Mr. Secretary, that the only control exerted by the Federal Government over the land-grant colleges is that they must maintain military ROTC units?

Secretary RIBICOFF. The original land grants were made on condition that the institutions offer instruction in military tactics. Apart from this requirement and certain reporting and certification requirements the program runs itself. The administration of this program doesn't even require the services of a full-time staff member of the Office of Education. Under these circumstances, there is no danger of Federal control here.

Senator RANDOLPH. You have referred in your statement to 90,000 teachers who do not now meet "full professional certification require-

ments," and you have indicated a measure of Federal responsibility toward the States to assist them in raising the qualifications of these teachers. Now let us assume that the proposed measure will provide a \$300 or \$400 a year salary increase for these teachers. This in itself, whether the teachers are paid on a 9-month or 12-month basis, will not greatly enhance their opportunities to pursue the studies required for full certification. My question, therefore, is whether the Secretary envisages some additional measure of specific assistance to teachers now employed who desire or who must pursue further studies in order to improve their professional qualifications?

Secretary RIBICOFF. First, I think it is important to recognize that this figure of 90,000 teachers who do not meet full certification requirements is a turnover statistic. That is, the figure has been running about 90,000 for some years, but it is not the same 90,000 teachers each year. About 10,000 to 15,000 complete their requirements each year. What our proposal aims to do is to strengthen the teaching profession. We want to get at the root of the problem by enlarging the number of our best young people who go into teaching and cutting down the need for uncertified teachers to be taken into active teaching. Certain of our programs under the National Defense Education Act help on this too by facilitating the completion of training by persons who plan to go into teaching. Examples are the national defense student loan program with its forgiveness feature for teachers and the national defense graduate fellowships.

We have not envisaged any other programs specifically aimed at in-service teachers who have not completed certification requirements. I do think they will be benefited by salary increases which would enable them to continue professional development. Also I think States and local school districts could work on this problem as it exists from place to place with the special project funds provided under section 109 of the bill.

You have put your finger on a problem of real importance, Senator—this matter of remedial assistance to in-service teachers who do not meet full certification requirements. Remedial help can probably best be provided by focusing State and local attention and effort on the problem within the general framework of the Federal assistance which I have discussed.

Senator RANDOLPH. You have stated that the proposed measure requires that each State set forth criteria, "based on relative need," to determine the distribution of Federal grants to the local educational agencies. I direct two questions to this feature of the proposed bill:



First, what provision if any, is made for your Department's evaluation of these criteria set forth by the States; and secondly, in the event of a conflict of opinion between HEW and the State, how would it be resolved?

Secretary RIBICOFF. Section 110(a)(3) provides that a State's application for its allotment must set forth criteria and procedures to insure that in allocating the Federal grant funds within the State to be used for school construction, priority will be given to districts which have the greatest need for more school facilities; and that in allocating funds for teachers' salaries, preference will be given to districts which have the greatest need for more teachers or increases in teachers' salaries and which are least able to finance such costs. The relative need of school districts is to be determined "in the judgment of the State education agency"; our review of a State's application will involve making sure that it contains "criteria and procedures" which will bring such judgment of relative need by the State education agency into play in the State's allocation of funds among districts.

Similarly, the State's application must, under section 110(a)(4) set forth criteria and procedures, consistent with the purposes of section 109, on the basis of which local school district projects under that section will be approved by the State agency. Here again the judgment is exercised by the State agency; what we must do is to be sure that the State's application contains "criteria and procedures" for making its judgments.

If the Commissioner of Education felt that a State's application was incomplete in failing to include such criteria and procedures, he would have to withhold approval of the application. Under section 111(a)(1) he could not actually disapprove a State application except after reasonable notice and opportunity for hearing to the State education agency. If the State agency were not satisfied with the Commissioner's decision, it would have the right to appeal to the U.S. court of appeals whose judgment would, in turn, be subject to review by the Supreme Court of the United States. The provisions for appeal and review in court are found in paragraphs (1), (2), and (3) of section 111(b).

Long experience with State plan requirements of this sort has seldom, if ever, shown the need for disapproval of State plans or applications. The close professional relationships which exist between State and Federal program officials have almost invariably made it possible to work out by informal discussion any potential discrepancies between the contents of State plans and applications and the statutory conditions and requirements.

Senator RANDOLPH. Mr. Secretary, you have referred quite correctly to the soaring level of the combined State and local debt in comparison to the much less rapid increase in the Federal debt. The economic conditions in my own State of West Virginia are well known, and yet our State effort to provide for schools is, I believe, in excess of the national efforts, as defined in the proposed measure. Would it not be fair to say that this measure is merely an extension of the process that has been operating for several decades, in which the States have been assuming a larger share of the financial burden which the local communities can no longer carry, and now the Federal Government is stepping in where the States have shown their financial limitations?

Secretary RIBICOFF. Between 1946 and 1959, State and local debt rose by more than 300 percent. The States shouldered an increasing share of this debt. In 1946, 15 percent was State and 85 percent was local debt; in 1959, 26 percent was State and 74 percent was local debt.

Under our bill, the Federal Government certainly will be coming in to help the States meet their increasing burdens.

Senator RANDOLPH. And if this is so then the inference is that the Federal Government will become a permanent partner in the financing of our public school system; will it not?

Secretary RIBICOFF. If you ask my personal opinion, Senator, I do believe that if we have a general Federal program to help States finance public schools, it will be a continuing program. That doesn't mean it would necessarily be so, but my personal opinion is it would be, sir. The amount, of course, will be up to the Congress of the United States.

Senator CLARK. Thank you very much. The subcommittee will stand in recess until tomorrow morning at 9:30 in room 4232.

(Whereupon, at 12:50 p.m., the subcommittee was recessed until 9:30 a.m. the following day.)

# PUBLIC SCHOOL ASSISTANCE ACT OF 1961

---

THURSDAY, MARCH 9, 1961

U.S. SENATE.  
COMMITTEE ON LABOR AND PUBLIC WELFARE,  
SUBCOMMITTEE ON EDUCATION,  
*Washington, D.C.*

The subcommittee met, pursuant to recess, in room 4232, New Senate Office Building, at 9:30 a.m., Senator Wayne Morse (chairman of the subcommittee) presiding.

Present: Senators Morse (presiding), Clark, Yarborough, Randolph and Javits.

Also present: Senator Bartlett of Alaska.

Committee staff members present: Stewart E. McClure, chief clerk; John S. Forsythe, general counsel; Charles Lee, professional staff member of the subcommittee; Michael Bernstein, minority counsel; Raymond Hurley and John Stringer, associate minority counsels.

Senator MORSE. The hearing will come to order.

Our first witness will be the Honorable E. L. Bartlett, U.S. Senator from the State of Alaska.

Senator Bartlett, we are delighted to have you here as a witness before the subcommittee, because I am very much disturbed about information I have already received as to the effects of this bill on Alaska, due to conditions that exist in Alaska which are not common to many other parts of the United States. These would include the differences in the cost of transportation, differences in the cost of living, and differences in cost of construction and, yes, even the differences in the cost of transporting students to school.

I was very interested in the comments of your colleague, Senator Gruening, before the Senate, who spoke also for your State the other day, calling attention to some of the alleged hardships that this bill would practice upon Alaska. I particularly noted his comments concerning the effects of the application of the formula in S. 1026 on Alaska.

I said that I welcomed testimony from you and from your colleague, so I am particularly delighted that you have come before us this morning to give us the benefit of your advice and suggestions.

## STATEMENT OF HON. E. L. BARTLETT, U.S. SENATOR FROM THE STATE OF ALASKA

Senator BARTLETT. Thank you, Mr. Chairman.

I did not have the privilege of being on the floor at the time the colloquy took place between you and Senator Gruening, but I read it attentively later, and I was not at all surprised to discover your

interest in the subject, because over a period of many years, I have known of your concern with the welfare of Alaska, your desire to help, the actual help you have given, and the great leadership you have provided in our long and, at last, successful fight for statehood.

Mr. Chairman, in reference to my testimony, I should like to be guided by your advice and counsel and even instruction, because I have here a prepared statement which is rather long, and I would be delighted to read it; however, it will take some little time.

I know that in your situation I need not have any doubt at all about the statement being read by you, even if I do not give it here in full text. I would like to do that, however, I don't want to take up too much of your time.

Senator MORSE. Senator, I think there is a certain advantage to be gained when you are reading a statement at a public hearing.

Senator BARTLETT. I am very glad to do that.

Senator MORSE. I think it would be helpful for the benefit of the press and for the benefit of the public, and I think that the fairest thing, from the standpoint of your constituency, would be to have the statement read in public.

Therefore I would like to have you do it.

Senator BARTLETT. Thank you. It was only that I did not want to take up your time.

Senator MORSE. I appreciate your thoughtfulness, but I think it should be read.

Senator BARTLETT. Mr. Chairman and distinguished members of the subcommittee, I count it a privilege to appear before you today in support of legislation to provide Federal assistance to State programs of public education. As to the advisability and need for doing that, I have no doubt whatsoever. I think it is a clear and obvious necessity.

The problem at hand is urgent. In addition to stating my conclusions as to the overall national need for Federal assistance in this perhaps most important of all fields, I have another reason for coming before you now, because I should like, in line with your opening statement, to present a few observations on apportionment of funds under S. 1021 and further, to suggest the amendment of provisions of the administration bill which relate to the continuation of the benefits allowed to assist the local school districts in which federally connected children are enrolled.

#### IMPACTED AREA AMENDMENTS

My particular recommendation is that there be substituted for these provisions the language of S. 1078, a bill introduced by Senator Clair Engle, with my cosponsorship.

In brief, the result sought to be achieved through this change is the continuation of the temporary provisions of Public Law 874 and Public Law 815 on a permanent basis and at present levels of entitlement. Under the administration plan, these temporary provisions would be given permanence, but entitlements would be reduced by one-half.

In order to describe fully the impact which would be brought about by the proposed reduction in existing entitlements, it is necessary to view the change in the context of new benefits proposed to be paid

under S. 1021. Although I am of the belief that the two programs should be held separate—each having a justification in fact independent of the other—there is some usefulness in comparison. I am not entirely satisfied with the method proposed to apportion funds under the general assistance program. I offer my observations on the apportionment formula in preface to my reasons for seeking the amendment of provisions which relate to Public Law 874 and Public Law 815.

The benefits to Alaska under the general provisions of S. 1021 are less than spectacular. As was the case with S. 8, which I supported during the 86th Congress, Alaska would receive the bare statutory minimum payable under the apportionment formula. Because of this, I suggest that the Alaska situation illustrates a weakness in the so-called equalization concept as it is devised in the apportionment formula of S. 1021.

I am in sympathy with the concept of equalization in distributing Federal-aid payments. It seems to me eminently sound to gear payment to need. I am persuaded, however, that the so-called equalization proposed in S. 1021 is, to a great extent, exaggerated.

The distribution formula is primarily based on two variables. The first of these is the total personal income in a State during a selected year. The second is the total number of students in average daily school attendance. Although I have no doubt that these factors are useful—or even essential—to establish the degree to which a State requires Federal assistance, I do not think them conclusive.

Other factors have an equally significant bearing on a determination of assistance need which do not seem to be adequately considered in the apportionment formula proposed. These are, to list a few, the relative cost of construction, maintenance, or operation of schools in the various States to be assisted. There is no better illustration of this than the cost of education in Alaska.

#### HIGH ALASKAN CONSTRUCTION COSTS

According to the latest information available through the Office of Education of the Department of Health, Education, and Welfare, the cost of constructing a single Alaska classroom is \$89,000. Comparing this to the average cost of classroom construction in the United States, which is \$42,560, it seems unnecessary to pursue the point further.

And yet, under the apportionment formula proposed in S. 1021, there is absolutely no consideration allowed the problem of differing construction and other necessary costs. The result of this is more than mere equalization. I think it vital to assume that, as a general rule, those States which have a relatively low personal income per student in average daily attendance will also be those States in which construction costs are substantially lower than the national average. The result in the extreme would be the unintended allowance to one State of funds sufficient to build three classrooms while the same dollar amount would build but one classroom in another State.

I suggest that a degree of equalization is accomplished simply through the operation of existing economic circumstances. Would it not be reasonable to suppose that further equalization should be tempered to reflect what each State will actually receive in terms of edu-

cational facilities and additional services rather than what dollar amount will be made available?

This brings me to a second criticism of the apportionment base proposed in S. 1021. That is, the artificiality basic in considering wealth purely in terms of the dollar.

Again, the Alaska situation serves to illustrate the problem. In my State, problems of geography have combined with the economic demands of expansion to deflate drastically the value of a dollar. As a result, personal income has soared, not to create utopian wealth, but simply to meet the minimum costs of living.

This is not a little known fact about Alaska. It is a problem which has long been apparent to the Federal Government. As the largest single employer in the State, the Government itself is forced to pay Federal employees a 25 percent cost of living allowance in order to provide them with an adequate living wage. Obviously, then, an income measurement in terms of dollars can be and is highly deceptive. It is my opinion that personal wealth should only be measured in terms of the Alaska subsistence level.

#### COST OF LIVING COMPARISONS

In that connection, Mr. Chairman, an additional statement must be made because an inference might be left that the 25 percent cost of living allowance balances throughout Alaska the additional living cost there. This is not true. This is far from true, because the last survey made, figures for which are available, reveal that, using Seattle as a base of 100, the cost of living in Nome is 159.3; Fairbanks is 154.6; Anchorage, 143.7; Seward, 131.4; Juneau, 129; Sitka, 135.8; and Ketchikan, 127.1.

So even in Ketchikan at the time this survey was taken, Ketchikan being the most southerly city in Alaska, the cost of living was more than 27 percent higher than in Seattle.

So what occurs, it follows naturally, is a higher personal income and a high cost of living. They balance out, it is hoped, in an economic way. Sometimes they do and sometimes they do not.

But in any case, for the purposes of considering a bill such as this, there is a distortion of fact. Alaska is represented as a State with tremendously high income on a per capita basis compared with the national average, which is true, but what is not reflected is these considerations is the correspondingly high cost of living.

Considering together, to return to our prepared text, Mr. Chairman, the two factors I have described—the high cost of Alaska education and the invalidity of a dollar measurement of personal income—it is apparent that Alaska will receive far less than an “equalized” share of the Federal funds to be apportioned under S. 1021. Alaskans lose desperately needed assistance because their inflated income is measured to reduce the amount allowed them, while at the same time they are apportioned funds at a rate geared to school costs lower by at least one-half than those which prevail in their State.

I concede that an attempt is made under the proposed formula to undo the inequity of the general apportionment rule. That is, Alaska is allowed payments per student at the minimum rate of \$15 per student established under the proposed formula, rather than at the actual computed rate which equals \$10.26 in 1962.

Although this adjustment relieves the situation to a degree, it is a synthetic solution arbitrarily applied without particular regard to actual equities. It would seem to me far better policy to release funds proportionate to real need. The very necessity of the \$15 minimum belies the inadequacy of the proposed general apportionment formula.

#### ALASKAN SCHOOL CONSTRUCTION NEEDS

The need for school construction assistance in Alaska is real. Alaska began the last school year with a classroom deficit of 200 units. Put into use at that time were 95 classrooms which were below adequate instructional standards. To meet an actual deficit of 295 units, the State was able to construct—with the benefit of funds partially available through Public Law 815—only 119 new classrooms.

Taking into account the expected increase in school enrollment and the depreciation of additional units below the acceptable level, Alaska began the present school year with a deficit even greater than that which existed the year before.

I mentioned earlier that the proposed general assistance program would have less than spectacular results in Alaska. In point of fact, the Alaska entitlement under the program for 1962 would enable the construction of only six classrooms. Further, even this small benefit would be all but eradicated were the bill enacted with the present provisions which reduce payments to States presently made under the provisions of Public Law 874 and Public Law 815.

These sections of S. 1021 propose the arbitrary 50-percent reduction of present benefits paid school districts for providing an education for children with partial Federal connection. The Department of Health, Education, and Welfare has justified the reduction on a basis of strict adherence to a theory that payments are made solely to compensate for the loss to a local community of commercial or industrial tax potentialities because of Federal tax-exempt activities.

I challenge this contention supporting proposed changes on two separate grounds. First, I do not think that payments to local school districts have been made on a strict theory of grants in lieu of tax, and, second, even if this were the sole basis of payments under the two acts, the present levels are justifiable in view of the very nature of economies affected by concentrated Federal activities.

I have reviewed in detail the various attempts which have been made in the past to reduce payments to school districts for students with partial Federal connection. I am convinced that Congress acted wisely when it consistently rejected the abstract theory of payment in lieu of taxes. In the first place, the impact of Federal activity creates problems which go far beyond the realm of real property taxation. Rapid increases in population, immediate requirements for new public services, including roads, water supplies, and other public facilities create a drain on local resources which is simply not met by the attendant increase in tax potentialities generated by greater personal incomes and subsequent improvement in residential property subject to taxation.

#### PROBLEM OF IMPACTED AREAS

Federally impacted areas have other problems which are peculiar to themselves. The population in many of these communities is unstable



and fluctuating. There is less investment in permanent residential property because the Federal activity itself is often unstable. In the case of areas, such as those in Alaska, which are affected by military establishments, the increased population brings with it a disproportionately high percentage of school age children.

Bearing on that, Mr. Chairman, it might be stated that the latest figures which I have seen reveal the average age in Alaska to be the lowest in the Nation. My recollection is that at the time the figures were conveyed to me, the average age was 23 years.

Well, what does this mean? Among other things, it means that there has been a tremendous increase in the number of schoolchildren and the need for educational facilities.

This constitutes a complete reversal of the situation which existed in Alaska as recently, we will say, as a quarter of a century ago, because then average age in the then Territory was much higher, much older, than in the rest of the Nation.

All of this has changed, and for the good, naturally, since World War II, but it has brought with it some grave problems which are magnified, naturally, by our strains and stresses as we go through the transitional processes from territorialism to statehood.

All of these factors must be considered, Mr. Chairman, when it is proposed to abandon what has, for the past 10 years, been accepted as a Federal responsibility. Abstract theories about the average revenue derived from commercial and industrial property are not really applicable to these hybrid economic situations.

#### ALTERNATIVES SUPPORTED

It is my hope that the members of the subcommittee will delete the provisions in S. 1021 which alter entitlements now available under Public Law 874 and Public Law 815. If it is felt by the committee that further study should precede legislation to lend permanence to existing settlements, I would recommend as an alternative to the language in S. 1078 provisions to temporarily extend benefits for a period of 2 years, during which a study might be completed to learn the exact impact which Federal activities create on local school districts.

I wish to thank the members of the subcommittee for this opportunity to present my views on these important matters. The speed with which these hearings have been scheduled and conducted will, I am sure, result in early legislative action in this area of crucial national need.

Mr. Chairman, I would like permission to incorporate, following my remarks, the text of a wire which came to me this morning from Alaska's Commission of Education—Dr. Theo Norby. Copies of that wire are being made.

Senator MORSE. The wire will be received into the record. The Senator's testimony had been very helpful to the committee.

I wonder if you would help me just a moment on the record, by turning to the bill S. 1078, and expanding for the record in layman's language what the difference in the formula would be, contrasted with the administration bill, if we adopt the language in S. 1078 as applied to the Alaskan situation.

Senator BARTLETT. Pardon me just for a second.

Senator MORSE. Yes. I can save you some time, Senator, if you would be willing to supply a memorandum on this point for the record.

Senator BARTLETT. I will file a memorandum but I think I will have an ability denied me at this second, in about 10 seconds.

Senator MORSE. Senator, I haven't the least question about your ability.

Senator BARTLETT. It doesn't exist at the moment.

Senator MORSE. But I do think this is a good place to get into the record for the Senate to read, when they read the hearing, just what the difference would be in relation to Alaska if we applied the formula of the administration bill or applied the formula of the other bill.

Senator BARTLETT. I shall be happy to do that, Mr. Chairman. And this memorandum will be submitted for the use of the committee.

I will just say in passing, I become terribly confused about these A and B categories, but Mr. Jensen, of my staff, reminds me that the effect of the administration proposal would be to reduce by 50 percent and continue on a permanent basis the entitlements under the so-called B category.

And if this were done it would have a simply devastating effect upon the school situation in Alaska, where so much, as you well know, of the property has been reserved by the Federal Government for one purpose or another.

Senator MORSE. If there is any area of the country which is federally impacted it is Alaska. We have a great many military installations in Alaska and those military installations are synonymous with federally impacted areas.

They contain not only the population who work on the installations but also their families. That fact creates an additional school support burden for Alaska which is not comparable to many other places in these United States.

Senator BARTLETT. That is true, and, if I may, I should like to illustrate that further by saying this: That of Alaska's total land area of approximately 375 million acres, even today following the arrival of statehood, substantially over 95 percent of that acreage is owned by the Federal Government and of that 95 percent plus, over 100 million acres have been absolutely appropriated by the Federal Government for its special uses and requirements.

Senator MORSE. I would like to have the memorandum that you file for the record to cover another area in addition, Senator.

Senator BARTLETT. Surely.

Senator MORSE. You have called attention to the fact that you think the so-called equalization features of the administration bill will not really produce equalization for Alaska, because of your high costs of living and high construction cost.

I think it would be helpful if your statement were supplemented by way of suggestions to the subcommittee for resolution of the problem. The Engle bill, in my judgment, does not meet that phase of the problem—

Senator BARTLETT. It does not.

Senator MORSE (continuing). Because the Engle bill deals primarily with our federally impacted area problem. For this reason, I think you gentlemen from Alaska in the Congress need to submit to the subcommittee a memorandum, giving us your advice as to how

you think the problem can be solved in relation to Alaska without, in effect, scuttling the President's program, to be frank about it.

Senator BARTLETT. Yes; indeed, sir. I shall address myself to this with hope but at the moment not with inspiration because I find myself at the moment, perhaps, in the position similar to that of a book reviewer or dramatic critic, where I am willing to point out error but am unable, myself, to do a better job of writing a production; but this we shall seek to do, Mr. Chairman.

Senator MORSE. Do not despair about that. I plead with you not to be a man of despair. I am satisfied that you can give us many constructive suggestions for solutions because you know this problem very well.

I only want to emphasize what I referred to on the floor of the Senate the other day, and I am sure both you and Senator Gruening agree with me. Our primary job is to get on the statute books a bill that, for the first time, provides for the principle of Federal aid to education. I am sure it is not going to be perfect in all of its applications to all parts of the country but we ought to aim, at least, to see to it that it is not unjust and inequitable.

I would be less than frank if I didn't say I am going to urge support of the formula in the bill, because this formula has been very carefully worked out by educational experts, by Secretary Ribicoff, and by others. But this does not mean that, because I am going to urge the support of this formula, I will not give careful and favorable consideration to any amendment to the bill which will provide for the taking care of any section or case that is, in fact, exceptional.

It seems to me the burden of proof is upon you gentlemen from Alaska to show the exceptional problems which confront Alaska. You are well on your way, as far as I am concerned, in doing that, by your statement today and by Senator Gruening's statement the other day on the floor of the Senate.

I wanted to give you this opportunity to make a strong case in your memorandum because you know the kind of argument, Senator, we are going to run into. The Diety, Himself, could not write a bill in this field which would give absolutely equal treatment to every interest concerned. Our job is to come out with a bill which is just and equitable for the overall, but also we do have the duty of seeing to it that injustice and inequity are not done by it.

Senator BARTLETT. I read carefully what you had to say on the floor the other day during your colloquy with Senator Gruening on this point. I have listened attentively to what you have just said to me, and I could not be more thorough in agreement with you, Senator, that the overriding need is to establish in law this principle.

And I should like the privilege of stating a personal conviction that legislation of this nature, so needful in these times, could not be in better hands than those of the Senator from Oregon, who has had such a long and constructive association with education and has done so much in the good cause.

And I would say both as an Alaskan and as a U.S. Senator, that paramount here must necessarily be the national interest, but I am happy, indeed, to hear you say that special needs and considerations, such as Senator Gruening, and I have cited, will be given close scrutiny and attention by you.

And I thank you very much.

Senator MORSE. Your kind remarks are appreciated, but I want to say that every one of us on the subcommittee shares the same point of view that I have given. We have a great obligation and responsibility to see what we can do this year to come up with a bill that can be passed.

Of course, Mr. Lee, I would like to have Senator Bartlett's statement and memorandum submitted to the Department of Health Education, and Welfare to the specific attention of Mr. Wilbur Cohen, who, I believe, Secretary Ribicoff has put in charge of the research work on this bill.

I would like to request that Secretary Ribicoff or Mr. Cohen have prepared for us a memorandum, commenting on the objections raised by the Senator from Alaska so that we can have it and any suggestions the Department may have for meeting the special problems that have been raised for use in executive session.

Thank you, Senator Bartlett.

Senator CLARK. Senator Bartlett, I think you have got a real problem and certainly I want to cooperate. There are a couple of questions that might help clarify this in my mind.

Do you think Alaska is unique as a high-cost area, compared to the other 49 States?

Senator BARTLETT. Yes, and I think my answer might best be phrased in this manner, Senator Clark. The cost of living in Philadelphia is, I assume, considerably higher than the cost of living in some small community in Alabama or in Mississippi.

Senator CLARK. Or even in Snyder County, Pa.

Senator BARTLETT. Or even Snyder County, Pa., but the Federal employee in Snyder County or Alabama or Mississippi receives the same salary as the Federal employee in Philadelphia, notwithstanding the fact the cost of living for the latter is somewhat higher.

The whole judgment has been or has to be made following that same argument as to where economic possibility, and maybe, I am not phrasing that right, but as to where the line of demarcation must come. Years ago the Congress decided that this situation, which I have just described, distorted though it might be, simply could not be applied to the Federal establishment in Hawaii, in Alaska, and Puerto Rico at that time.

Senator CLARK. Therefore, you have this 25 percent differential?

Senator BARTLETT. Yes, because you couldn't get anyone to work in those areas because the cost of living was so much higher. And, obviously, in Alaska, for example, where you have, according to the Corps of Engineers, a construction cost of about  $2\frac{1}{2}$  times greater than elsewhere, there is such a clear and demonstrable distortion that circumstances have been drastically altered.

Senator CLARK. You see what I am driving at is I think we ought to do something to ease your pain.

Senator BARTLETT. I appreciate that.

Senator CLARK. Then the question becomes one of degree. Should we also ease the pain in other high-cost areas or do we make Hawaii and Alaska merely separate situations?

What went through my mind is the knowledge that you might think it was worth while to pursue that there are some of the provisions in the housing acts which we have been passing for many a year now where the act imposes a ceiling on unit cost for the construction of

houses and that mortgages will be insured by FHA or the unit cost of a public housing project. And there are special exemptions in what are called high-cost areas where those ceilings are lifted and it is possible to go higher.

You take a good, sanitary, and a decent house for a single family in Mississippi where there is an FHA mortgage and you can get equivalent accommodations for maybe \$5,000 less than you can get in the environs of Philadelphia. Therefore, the ceiling is lifted to a limited extent on down payments, the amount of mortgage, and all that sort of thing.

Perhaps, there is an analogy here which will help you in the education field. I throw out that suggestion as something you might want to think about.

Senator BARTLETT. Before the sun goes down this very day that very good suggestion of yours, Senator Clark, will have been researched, explored, and further acted upon.

Senator CLARK. Thank you.

Another idea occurred to me. As I look at this chart issued by HEW entitled "Fall 1960 Statistics on Enrollment of Teachers in School Housing and Full-Time Public Elementary and Secondary Day Schools by State," I look at Alaska and I find this chart shows as of the fall of 1960 you are said by the Department to need 200 additional instruction rooms, and that is not school houses but classrooms, to take care of excess enrollment reported, and 95 more schoolrooms to replace unsatisfactory facilities, whereas, according to this chart, you had 119 of 295 total shortage scheduled for completion during 1960-61 school year or more than a third less than that.

I wondered whether your real problem is more teachers' salaries than it is school construction.

Senator BARTLETT. It is both, of course. In the area of teachers' salaries we do have a problem which is not only apparent to Alaska as a community but which is going to be acted upon without any doubt whatsoever by the legislature now in session.

Various proposals are before the legislature for substantial increases in teachers' salaries. When they have been made, I doubt whether teachers' salaries will be at the levels that they should be. They very rarely are, but at least some aid will have been given.

Senator CLARK. If you were going to guess, and clearly it would be a guess, certainly you should not be held to it in any way, and you couldn't bind the State, but with all of those qualifications, what would be your judgment as to how the sum which will be available to Alaska under this act, if it becomes law, will be split between teachers' salaries and construction?

Senator BARTLETT. Well, I could express only a hope and not a determination on that because the decision would not be mine.

I have long entertained the belief that, important though it is to have the very best physical facilities possible, the essential element is to have first-class teachers.

Senator CLARK. So that, perhaps, if a greater proportion of this money were put into teachers' salaries, as opposed to construction, your pain would be somewhat eased; because there, at least, you would get the teachers' salaries increased, whereas, on the other hand, if it went in construction you wouldn't get the classrooms built because they cost too much.

Senator BARTLETT. Yes; although if the entitlements are reduced, according to the administration's proposal, under Public Law 874, then again we will have to put up a greater share of money for school operation and maintenance.

Senator CLARK. Well, I think, without attempting to prognosticate, that there is some chance that the administration's recommendations with respect to federally impacted areas will not be at least 100 percent recommended by the committee.

Senator BARTLETT. Those are welcome words.

Senator CLARK. What?

Senator BARTLETT. I welcome those words.

Senator MORSE. Is there anything further, Senator?

Senator CLARK. Unless you want to make some further comments, that is all I have.

Senator BARTLETT. I have only this comment, and I want to make it clear that I do not come before you, and I suspect no one from Alaska would come before you and say, "Look, we have a slightly peculiar and unique situation; so write something in the bill just for Alaska alone."

We know that isn't possible or probable, but we do want you to know that a very serious situation exists here. We do not beg your consideration because that consideration has already been assured, but I want to say that we are happy you are going to look especially at the situation which confronts us in the 49th State.

Senator MORSE. Thank you very much, Senator Bartlett.

Senator BARTLETT. Thank you.

(The telegram from Theo. J. Norby follows:)

JUNEAU, ALASKA, *March 8, 1961.*

Hon. E. L. BARTLETT,  
New Senate Office Building,  
Washington, D.C.:

Re proposed amendments to Public Law 874. Reduction in percentage of pupil costs for 3A and 3B pupils will be severe financial loss to State department and incorporated school districts. Based upon entitlements for fiscal 1960, the following reductions would apply: State department, \$4,614,539 to \$2,307,269; districts, \$1,286,351 to \$643,175; total decrease, \$2,950,445.

Fiscal 1961 applications reflect substantial increases, especially State department, but complete information as to effect of possible decrease not available at this time; however, seriousness of loss correspondingly greater.

National averages on percentages of Federal nontaxable lands not applicable to Alaska. Approximately 95.5 percent of land still under Federal jurisdiction. This is particularly applicable to Alaska 1 school district which covers entire State with exception of areas within incorporated school districts and cities. State department also operates schools on military bases and FAA stations. Their operating cost alone exceeds estimated entitlement under proposed changes. Estimated receipts under H.R. 4970 of \$555,000 would be negligible in comparison to 874-815 decreases. Public Law 815 loss would seriously curtail needed construction in federally affected areas.

THEO J. NORBY,  
*Commissioner, Alaska State Department of Education.*

Senator MORSE. The next witness will be Dr. William G. Carr, executive secretary of the National Education Association. He will be accompanied by Dr. Sam M. Lambert, director, Research Division, National Education Association.



**STATEMENT OF DR. WILLIAM G. CARR, EXECUTIVE SECRETARY,  
NATIONAL EDUCATION ASSOCIATION; ACCOMPANIED BY DR. SAM  
M. LAMBERT, DIRECTOR, RESEARCH DIVISION**

Senator MORSE. Dr. Carr and Dr. Lambert.

Dr. Carr, you and Dr. Lambert may proceed in your own way.

Dr. CARR. Thank you, sir. I might say that Dr. Lambert is the gentleman on my immediate right. He will be joined in a moment by Mrs. Flanigan, who is about to be seated, and by Dr. Robinson, of the Research Division staff, who will assist Dr. Lambert if he requires assistance in the more technical parts of the testimony.

Senator MORSE. Dr. Carr, you may feel perfectly free at any time to have any one of your associates proceed either to testify or to answer questions.

Dr. CARR. Thank you, Senator.

Just for the record, I would say that my name is William Carr. I am the executive secretary of the National Education Association of the United States.

It is an honor for me to appear before you to represent more than three-quarters of a million educators who are joined together in the largest professional organization in the world. The National Education Association is now in its 104th year and it functions under a special act of Congress which requires it to "elevate the character and advance the interests of the profession of teaching and to promote the cause of popular education in the United States."

Gentlemen, it is in accordance with that chartered purpose that I come before you today to voice enthusiastic support to Senate bill 1021, the bill patterned, as you know, after the special message on education which was sent to the Congress by President Kennedy.

I will say, parenthetically, that I believe that this message is one of the great documents in the history of American education, and that if it is implemented by this session of the Congress, it will become one of the great documents in the history of America.

The National Education Association supports without "if" or "buts" the President's program, and we would like to stress that its beneficial effects on our country can commence with the new school year, provided the Congress can find it possible to act promptly on the matter.

Now, let me recapitulate some of the principles and ideas which have a major bearing on the problem you are considering today, the improvement of American education in line with the American tradition, free public schools under local and State control.

This tradition includes and continues to include a commitment by the American people to use whatever part of their resources is necessary to provide a high quality of education. This commitment of our people has been put to the test in the past and today it is being tested right this minute as it never was before.

We have strong and hopeful evidence that this commitment will be honored again this year.

I would like to take this opportunity, sir, to thank those Members of the U.S. Senate who collectively took part in the discussion of Senate bill 8 last year and supported that commitment for giving expression to the wishes of the American people by passing on it last



February. That is Senate bill No. 8. If the House had followed your excellent example, the children in our schools today, this minute, might have had better schools than they now have.

But there isn't any use recapitulating history and there certainly is no use and no intention on my part to minimize the fact that the passage of this bill will cost some money. Clearly, it is going to cost money, and this money must come out of taxes and taxes are something people would like to minimize.

Some folks, who are opposed to the legislation in principle, seem to take great delight in suddenly asking a witness, "Where is this money going to come from?" as though they have discovered some fatal weakness in the whole structure of the enterprise.

Of course, public funds are going to be provided whether they come as the result of the increased revenue from an upswing in the business cycle or as a contribution from the revival of our economy.

The funds, when they become available, will be spent for architectural service, for real estate, for bricks, mortar, and for the thousand and one things that are required to construct a school and keep it going, for salaries of maintenance men and teachers and other people in the administration of education and a very tiny fraction, here in Washington, on the cost of administration itself.

Senator MORSE. Dr. Carr, if you do not mind my interrupting you at this point, you have raised this matter of the tax question. I finished reading yesterday, a very interesting little leaflet, put out by the National Education Association's legislative commission, entitled "Round Trip to Washington."

In this pamphlet the NEA considered in detail the oft-heard argument that so much of each tax dollar goes to administration when it is collected by the Federal Government and that more education could be obtained by leaving the tax collection to State and local governments.

That is the argument that is presented to us time and time again in various forms.

The NEA pamphlet however states that the collection cost of the Federal taxes is about one-half a cent per dollar; State collection costs about 1½ cents per dollar, and local collection costs about 5 cents per dollar.

Would you tell me, or could you have someone on your staff tell me how you arrived at these figures, because, let me say, this is very effective material if it can stand up. I think the American people need to be told that there is much propaganda abroad in this country, seeking to damage Federal programs by giving the impression that if a program is administered by the Federal Government there is going to be waste but if you leave administration to the State and local governments there is going to be great economy.

I am satisfied that just the contrary is true, and has been true for many years in this country. I am satisfied that a careful research program would show that the Federal Government operates much more economically in protecting the taxpayers' interest in the expenditure of funds than State and local governments do. I say this even though I strongly believe in State and local governments exercising their constitutional prerogatives.

I am also strong proponent for keeping government close to the people at State and local levels. I am however, a little weary of the

argument, may I say most respectfully, that if you want to save the taxpayer money leave program administration to local and State governments. Many of these programs are mixed programs in that they have Federal, State, and local interests involved.

The NEA pamphlet can very well be one of the vital factual exhibits in this hearing. It can help us put to rest, in the debate, which we will undoubtedly be involved in on the floor of the Senate, this argument that is constantly being presented to us, that the Federal Government is a wasteful Government but that State and local governments are great economizers.

I, myself, know better. I know that it isn't so, but I do not have at my tongue's tip the factual material that I am going to need as the floor leader on this bill. Therefore, I would like to have you give me the factual material that will support the conclusions that you have reached in this pamphlet.

I am going to rule now that this pamphlet will be inserted in the record at the close of your testimony this morning. I will be very glad either to take your oral testimony now in answer to the question or I will give you time to prepare a memorandum, which I can later insert in the record, which will answer this simple question. Can you tell me how you arrived at these figures? Let me repeat the figures I cited for the benefit of the press, because the press in connection with this historic debate has a great obligation to public education on this matter in this country.

The NEA pamphlet states that the collection cost of Federal taxes is about one-half cent per dollar; State collection cost, about 11½ cents per dollar, while local collection cost is about 5 cents per dollar.

Can you advise me, Dr. Carr, as to what procedure you wish to follow in answering my question, whether you wish to testify now or answer it by way of a written memorandum prepared by you to be submitted into the record at this point at a later date?

Dr. CARR. Sir, if you will permit, I would like to suggest that you allow us to file that memorandum later this morning.

Senator MORSE. I would be very happy to accept that situation.  
(The memorandum referred to follows:)

MEMORANDUM SUBMITTED BY DR. CARR

NATIONAL EDUCATION ASSOCIATION,  
Washington, D.C., March 13, 1961.

Senator WAYNE MORSE,  
Chairman, Subcommittee on Education,  
U.S. Senate, Washington, D.C.

DEAR SENATOR MORSE: In accordance with your request of March 9 to Dr. Carr during the course of the testimony before the Senate Subcommittee on Education, I am sending you comments, references, and materials which were used in arriving at the estimates of the cost of collecting taxes for different levels of government.

As you will note from exhibit A, the figure for the cost of collecting Federal taxes was readily available from the Internal Revenue Service. The annual cost of collecting Federal taxes is available for each year since 1866.

The figures for State and local costs per dollar of tax collections are estimates based in part upon a review of the literature and in part upon the annual reports of State financial officers which were available in our library. I think that we should note here that in this age of cost accounting the very lack of reliable information on the cost of collecting State taxes for many State governments and the almost complete void in the area of cost of local tax collections are indicative of the lag in the attention to costs.

The figures which we have arrived at for State collection costs represent an estimate based on State reports as follows:

1. Colorado. Source: Colorado Department of Revenue. Seventeenth annual report. Fiscal year ending June 30, 1958. Table 8, page 22. The cost per \$100 collected for 1957 was \$2.62 and for 1958, \$2.69.

2. South Carolina. Source: 45th Annual Report of the South Carolina Tax Commission to the Governor and General Assembly, 1959. Page 5. Cost per \$100 collections listed at \$1.53.

3. Utah. Source: State of Utah. State tax commission. Thirteenth biennial report, 1956. Page 6. Gross collections for the fiscal year ending 1956 are reported at \$62,412,648 and departmental expenditures at \$1,068,865. This works out to a cost per \$100 of gross collections of \$1.71.

4. Delaware. Source: Report Delaware State Tax Commissioner, fiscal year ending June 30, 1958. Cost per \$100 of collections for 1957 reported at \$1.17 and for 1958 reported at \$1.15.

5. South Dakota. Source: State of South Dakota. Fourth Annual Report of the Department of Revenue. Fiscal year 1958-59. Pages 6, 7, 8, and 15. The division of taxation and licensing reports total receipts of \$41,609,947 and expenditures of \$344,642. This works out to a ratio of \$1.90 for each \$100 of receipts.

6. Washington. Source: State of Washington. 1959 Annual Report of the Tax Commission. Page 21. Reports a cost of 88 cents per \$100 of collection in 1959.

7. Louisiana. Source: Louisiana Department of Revenue. Fiscal year 1959. Annual report. Page 6. Cost per \$100 of collection reported at \$1 for 1957-58, at 87 cents for 1958-59, and 89 cents for 1959-60.

8. Maine. Source: Report of the Bureau of Taxation, State of Maine. 1957 and 1958. Page 5. The cost of operating the bureau relative to taxes certified is given at 1.01 percent. This is \$1.01 per \$100 of taxes collected.

9. Mississippi. Source: Mississippi State Tax Commission. Service Bulletin No. 56. Jackson, Miss. December 1958. Page 23. The cost per revenue collected is given at \$1.43 for the biennium 1956 through 1958, and at \$1.61 for the biennium 1954 through 1956.

10. New York. Source: State tax commission. Annual report. Legislative Document 1958, No. 117. Page 18. The cost per \$100 of collection for 1958 is given at \$1.41.

11. Iowa. Source: Annual Report of the Iowa State Tax Commission for period July 1, 1955, to June 30, 1956. Page 426. The ratio of expenditures of the State tax commission to net revenue is given at 1.24 percent. This is \$1.24 per \$100 of receipts of net revenue.

This is not an exhaustive study, as you can see. Not all States report the cost of tax collections and not all States make available their financial reports to libraries such as ours at the NEA. There is no intentional bias in the selection of these 11 States.

We also considered a study by James H. Maloon and Clinton B. Oster, entitled "Sales Tax Administration Costs" which appeared in the National Tax Journal 10: 228-35; September 1957. The sales tax is the largest single source of State revenue. You will note that for the 12 States for which the cost figures were available, the actual cost per \$100 of collection averaged \$1.83 with Ohio included and \$1.47 for the 11 States excluding Ohio. The adjusted cost per \$100 was somewhat lower—\$1.66 per \$100 for the 12 States and \$1.33 per \$100 for the 11 States excluding Ohio. The summary table of sales tax collection costs from the Maloon-Oster study is shown here as exhibit B.

Virtually no research exists on the cost of local tax administration. In one State, Pennsylvania, where the fees of borough and township tax collectors are set as a percent of the collection, there is a basic cost of up to 5 percent. Authorities on the local property tax administration have placed the estimate per \$100 variously at \$3, \$5, and \$10. Local tax collection costs are high because the local government bears the complete cost of assessment, administration, collection, and in some cases expensive delinquency collection procedures. Local costs are high on other counts. Scientific assessment by trained assessors is expensive. The fee system of remuneration for tax collectors is costly and the local unit involved in many States is too small to permit either scientific assessment or modern collection practices. The Tax Institute of Princeton, N.J., has, over many years, given attention to the lack of efficient administration of the property tax. Three recent issues are pertinent: Mitchell, J. Hunt, "The Fee System of Tax Collection in Pennsylvania—An Unseen Hand in Your Pocket,"

Tax Policy 26: 1-20, August-September 1959; Walker, Mabel, "Tax Limits and Tax Leakages," Tax Policy 26: April-May 1959; and Walker, Mabel, "What's Ahead in County Finance?" Tax Policy 27: 1-11, March-April 1960.

The April-May issue of Tax Policy called attention to numerous leakages in the local revenue system. The August-September 1959 issue called attention to the inefficiencies of the fee system of tax collection in Pennsylvania. This article recognized that the practice was not confined to that State and concluded with the following remarks:

Literature of the fee system of tax collection in other States is very sparse.

We shall welcome comments from readers concerning the extent of this practice in other States as well as references to articles of the subject.

More information on the cost of local and State tax collection is needed. This year the National Tax Association established a committee to study the cost of tax collection for the three levels of government. Perhaps upon the completion of this committee's work we shall have more data about the cost of tax collection for State and local governments such as we now have for the Federal taxes. More research in this area is badly needed.

Low tax collection costs do not necessarily indicate efficiency. It may well be that tax collection costs should be higher at all levels of government to assure that each taxpayer bears his fair share of the costs of government. Furthermore, it should be recognized that there will be a difference in the costs of collecting different types of taxes even when all collection agencies operate at the peak of efficiency.

The most telling part of this analysis of collection costs is not that Federal taxes are collected at about half the cost of State taxes and a still smaller fraction of the cost of local taxes, it is that costs are known and reported at the Federal level while for many of the States and most of the local governments cost information is not available.

The figures on the cost of administering Federal grant programs are from a study by Mr. I. M. Labovitz, senior specialist in social welfare at the Legislative Reference Service of the Library of Congress. I am enclosing a typed copy of the study entitled "Federal Expenditures Associated With the Administration of Programs of Grants-in-Aid to State and Local Governments" (exhibit C).

It comes as a surprise to most people who are not students of government that attention to economy and efficiency which has long had a place in the Federal Government has only recently had a place in State government and has not quite begun at the local level in most States.

Cordially yours,

SAM M. LAMBERT,  
*Director, Research Division.*

## EXHIBIT A

TABLE 10.—Internal Revenue Service—Cost, tax collections, employees, and the U.S. population since 1866

Fiscal year	Expenditures	Collections	Cost of collecting \$100	Population (thousands)	Tax per capita	Number of employees		
						Total	National office	Field
1866.....	\$7,689,700	\$310,120,448	\$2.47	36,538	\$8.49	4,461	221	4,240
1867.....	8,982,686	265,064,938	3.38	37,376	7.09	4,808	246	4,662
1868.....	9,327,302	190,374,926	4.88	38,213	4.98	5,393	251	5,142
1869.....	6,785,477	159,124,127	4.59	39,051	4.07	6,258	255	6,003
1870.....	8,241,514	184,302,828	3.92	39,905	4.62	6,266	252	6,014
1871.....	8,408,634	143,198,322	5.30	40,938	3.50	6,321	301	6,020
1872.....	6,522,774	130,890,097	4.36	41,972	3.12	6,141	301	5,840
1873.....	6,620,231	113,504,013	4.69	43,006	2.64	5,136	272	4,864
1874.....	5,948,478	102,191,017	4.40	44,040	2.32	4,784	264	4,520
1875.....	5,317,924	110,071,515	3.89	45,073	2.44	4,657	241	4,416
1876.....	4,775,000	116,768,096	4.71	46,107	2.53	5,184	241	3,943
1877.....	4,171,495	118,549,230	3.50	47,141	2.51	3,983	203	3,780
1878.....	4,056,410	110,654,163	3.75	48,174	2.30	3,729	203	3,526
1879.....	4,205,632	113,449,621	3.70	49,208	2.31	3,609	193	3,416
1880.....	4,505,641	123,981,916	3.63	50,262	2.47	3,405	193	3,212
1881.....	5,054,026	135,229,912	3.60	51,542	2.62	3,405	193	3,212
1882.....	5,107,481	146,523,274	3.50	52,821	2.77	4,002	196	3,806
1883.....	5,105,957	144,553,345	3.50	54,100	2.67	4,341	243	4,098
1884.....	5,100,452	121,590,040	4.20	55,379	2.20	4,126	243	3,883
1885.....	4,455,430	112,421,121	3.90	56,658	1.98	3,581	240	3,341
1886.....	4,299,485	116,902,869	3.60	57,938	2.02	3,292	195	3,097
1887.....	4,065,149	118,837,301	3.40	59,217	2.01	3,389	198	3,191
1888.....	3,978,283	124,326,475	3.20	60,496	2.05	3,295	193	3,102
1889.....	4,185,729	130,894,434	3.20	61,775	2.12	3,437	199	3,238
1890.....	4,095,111	142,594,697	2.82	63,056	2.26	3,741	201	3,540
1891.....	4,205,655	146,035,416	2.88	64,361	2.27	3,850	208	3,642
1892.....	4,315,046	153,857,544	2.80	65,666	2.34	3,938	208	3,730
1893.....	4,219,739	161,004,990	2.62	66,970	2.40	3,744	211	3,533
1894.....	3,975,904	147,168,450	2.70	68,275	2.16	4,339	207	4,132
1895.....	4,127,601	143,246,078	2.81	69,580	2.06	4,204	221	3,983
1896.....	4,086,292	146,830,616	2.78	70,885	2.07	3,991	198	3,793
1897.....	3,848,469	146,619,593	2.62	72,189	2.03	3,858	202	3,656
1898.....	3,907,011	170,866,819	2.29	73,494	2.32	3,832	222	3,610
1899.....	4,591,755	273,484,573	1.68	74,799	3.66	3,667	262	3,405
1900.....	4,653,688	295,316,108	1.58	76,094	3.88	4,003	277	3,726
1901.....	4,749,220	306,871,669	1.55	77,585	3.95	3,836	283	3,553
1902.....	4,603,888	271,867,990	1.70	79,160	3.43	4,111	317	3,794
1903.....	4,771,189	230,740,925	2.07	80,632	2.86	3,960	285	3,675
1904.....	4,619,310	232,903,781	1.98	82,165	2.83	3,834	262	3,572
1905.....	4,705,296	234,187,976	2.01	83,820	2.79	3,854	257	3,597
1906.....	4,727,170	249,102,738	1.90	85,437	2.92	3,703	259	3,444
1907.....	4,875,746	269,664,023	1.81	87,000	3.10	3,788	258	3,530
1908.....	4,830,699	251,665,950	1.92	88,709	2.84	3,872	259	3,613
1909.....	4,975,239	246,212,719	2.02	90,492	2.72	3,795	259	3,536
1910.....	5,044,503	289,957,220	1.74	92,407	3.14	3,844	258	3,586
1911.....	5,411,659	322,526,300	1.68	93,868	3.44	3,992	294	3,698
1912.....	5,509,984	321,615,895	1.71	95,331	3.38	3,838	272	3,566
1913.....	5,484,655	344,424,454	1.59	97,227	3.54	4,000	277	3,723
1914.....	5,779,330	380,008,894	1.52	99,118	3.83	3,972	277	3,695
1915.....	6,804,689	415,681,024	1.64	100,549	4.13	4,730	530	4,200
1916.....	7,199,163	512,723,288	1.40	101,966	5.03	4,718	560	4,158
1917.....	7,699,031	809,393,640	.95	103,414	7.83	5,053	524	4,529
1918.....	12,003,214	3,698,955,821	.33	104,550	35.38	9,597	2,245	7,352
1919.....	20,573,772	3,850,150,079	.53	105,063	36.65	14,055	3,090	10,965
1920.....	27,037,135	5,407,580,252	.50	106,466	50.79	15,848	5,462	10,386
1921.....	33,174,309	4,595,357,062	.72	108,541	42.34	17,470	6,493	10,977
1922.....	34,286,651	3,197,451,083	1.07	110,055	29.05	17,710	6,671	11,039
1923.....	36,501,063	2,621,745,228	1.39	111,950	23.42	17,613	6,552	11,061
1924.....	34,676,688	2,796,179,257	1.24	114,113	24.50	15,884	5,759	10,125
1925.....	37,266,573	2,584,140,268	1.44	115,832	22.31	15,568	5,584	9,984
1926.....	34,948,483	2,835,999,892	1.23	117,399	24.16	14,333	4,536	9,797
1927.....	32,967,764	2,865,683,130	1.15	119,038	24.07	13,211	3,801	9,410
1928.....	32,599,845	2,790,535,538	1.17	120,501	23.16	12,914	3,661	9,253
1929.....	34,377,083	2,939,054,375	1.17	121,770	24.14	12,273	3,584	8,689
1930.....	34,352,063	3,040,145,733	1.13	123,188	24.68	11,979	3,448	8,531
1931.....	33,997,786	2,428,228,754	1.40	124,149	19.56	11,833	3,461	8,372
1932.....	33,870,904	1,557,729,043	2.17	124,949	12.47	11,716	3,407	8,309
1933.....	30,031,723	1,619,839,224	1.85	125,690	12.89	11,524	3,383	8,141
1934.....	28,826,226	2,300,816,309	1.25	126,485	18.19	11,216	3,410	7,806
1935.....	42,719,338	2,773,213,214	1.54	127,362	21.77	16,523	3,756	12,787
1936.....	48,065,039	3,448,571,174	1.39	128,181	26.90	17,054	3,743	13,311
1937.....	51,797,735	4,653,195,315	1.12	128,961	36.08	21,148	4,602	16,546
1938.....	58,294,050	5,658,765,314	1.03	129,969	43.54	22,045	4,580	17,465
1939.....	58,662,969	5,181,573,953	1.13	131,028	39.55	22,623	4,202	18,421
1940.....	59,675,518	5,340,452,347	1.12	132,122	40.42	22,423	3,993	18,430

See footnotes at end of table.

TABLE 10.—Internal Revenue Service—Cost, tax collections, employees, and the U.S. population since 1866—Continued

Fiscal year	Expendi- tures	Collections	Cost of collect- ing \$100	Population (thousands)	Tax per capita	Number of employees		
						Total	National office	Field
1941.....	65,289,527	7,370,108,378	.89	133,402	55.25	27,230	4,151	23,079
1942.....	73,805,704	12,976,589,178	.56	134,860	96.22	29,065	4,329	24,736
1943.....	98,568,512	22,227,341,483	.44	136,739	162.55	36,338	4,377	31,961
1944.....	129,416,848	39,991,717,001	.32	138,397	288.96	46,171	4,273	41,898
1945.....	144,786,970	43,675,865,945	.33	139,928	312.13	49,814	4,441	45,373
1946.....	174,055,640	40,558,913,040	.43	141,389	286.86	59,693	5,144	54,549
1947.....	203,916,822	39,108,385,742	.52	144,126	271.35	52,830	4,771	48,059
1948.....	183,731,060	41,864,542,295	.44	146,631	285.51	52,143	4,662	47,481
1949.....	209,205,715	40,463,125,019	.52	149,188	271.22	52,266	4,554	47,712
1950.....	230,408,200	38,957,131,768	.59	151,683	256.83	55,551	4,303	51,248
1951.....	245,869,538	50,445,686,315	.49	154,360	326.80	57,795	4,030	53,765
1952.....	271,872,192	65,009,585,560	.42	157,028	414.00	55,370	3,842	51,528
1953.....	268,590,806	69,686,535,389	.38	159,636	436.53	53,463	3,834	49,629
1954.....	268,969,107	69,919,990,791	.38	162,417	430.50	51,411	2,707	48,704
1955.....	278,834,278	66,288,692,000	.42	165,270	401.09	50,890	2,675	48,215
1956.....	299,894,710	75,112,649,000	.40	168,176	446.63	50,682	2,583	48,099
1957.....	305,537,814	80,171,971,000	.38	171,196	468.30	51,364	2,602	48,762
1958.....	337,428,789	79,978,476,484	.42	174,064	459.48	50,816	2,638	48,178
1959.....	355,469,228	79,797,972,806	.44	177,128	450.51	50,200	2,633	47,567

1 Excludes cost of prohibition and narcotic enforcement.  
2 Excludes the following prohibition and narcotics employees:

	Total	National office	Field
Fiscal year 1920.....	2,592	450	2,142
Fiscal year 1921.....	2,671	503	2,168
Fiscal year 1922.....	3,678	604	3,074
Fiscal year 1923.....	3,382	687	2,695
Fiscal year 1924.....	3,319	688	2,631
Fiscal year 1925.....	3,765	592	3,173
Fiscal year 1926.....	3,570	307	3,263
Fiscal year 1927*.....			

\* Prohibition and narcotic enforcement placed under separate bureau, effective Apr. 1, 1927 (Public Act No. 751, 69th Cong.).  
3 Excludes agricultural adjustment taxes.  
4 Excludes amount transferred to Post Office Department to cover cost of selling vehicle tax stamps.  
5 Excludes amount collected by Post Office Department for vehicles tax.

## EXHIBIT "B"

TABLE 11.—*State administration costs of collecting \$100 of sales and use tax revenues, selected States, fiscal year 1955*

[Vendors' discounts are excluded]

State	Sales and use tax collections	Cost of administra- tion	Costs per \$100 of collections	
			Actual	Adjusted <sup>1</sup>
	<i>Thousands</i>	<i>Thousands</i>		
Ohio.....	\$207, 217	<sup>2</sup> \$7, 919	\$3. 82	\$3. 82
California.....	492, 879	9, 911	2. 01	2. 01
Florida.....	74, 027	1, 367	1. 85	1. 85
Maryland.....	34, 999	616	1. 76	1. 17
Alabama <sup>3</sup> .....	58, 932	988	1. 68	1. 68
North Carolina.....	58, 413	923	1. 58	1. 58
South Carolina.....	46, 649	<sup>4</sup> 737	1. 58	1. 58
Illinois.....	207, 343	3, 073	1. 48	. 97
Colorado.....	37, 072	519	1. 40	. 93
Kansas.....	50, 502	647	1. 28	. 85
Connecticut.....	60, 917	574	. 94	. 94
Michigan.....	300, 266	2, 555	. 85	. 85
Total.....	1, 629, 215	29, 828	<sup>5</sup> 1. 83	<sup>5</sup> 1. 66
Total (excluding Ohio stamp costs).....		24, 012	<sup>5</sup> 1. 47	<sup>5</sup> 1. 33

<sup>1</sup> Ratios are adjusted to represent collections at a 3 percent tax rate for all States. The adjusted collections for the States with 2 percent tax rates are as follows: Maryland, \$82,498,178; Illinois, \$317,361,024; Colorado, \$55,608,448; and Kansas, \$75,753,672. The adjusted total for collections is \$1,800,520,238.

<sup>2</sup> Includes \$2,102,350 in departmental personal service and maintenance costs and \$5,816,719 in various costs attributable to the prepaid stamp system of collection but excludes vendors' discounts amounting to \$3,882,624. The ratio exclusive of stamp costs is \$1.01 and the gross ratio including vendors' discounts is \$5.70.

<sup>3</sup> Fiscal year 1954.

<sup>4</sup> Incomplete, includes only wages and salaries.

<sup>5</sup> Weighted average.

Source: Survey among the selected States.



## EXHIBIT "C"

## THE LIBRARY OF CONGRESS

Washington, D.C.

## LEGISLATIVE REFERENCE SERVICE

## FEDERAL EXPENDITURES ASSOCIATED WITH THE ADMINISTRATION OF PROGRAMS OF GRANTS-IN-AID TO STATE AND LOCAL GOVERNMENTS

(By I. M. Labovitz, Senior Specialist in Social Welfare, April 22, 1958)

TABLE 12.—Federal administration and research expenditures as a percentage of grant expenditures for various programs of Federal aid to State and local governments, fiscal years 1956, 1957, and 1958

Federal-aid program	Federal administration and research as percent of Federal grant			1958 amount (In thousands), 1958 budget estimates	
	1956	1957	1958	Grant expenditures	Administration, research
Expenditures directly related to specified program:					
Federal aid for highways.....	1.7	1.2	1.0	\$1,654,000	\$16,625
Public assistance.....	.1	.1	.1	1,679,400	2,192
Employment security <sup>1</sup> .....	2.3	2.3	2.4	257,000	6,280
School lunch.....	1.3	1.4	1.4	98,575	1,425
Donations of surplus agricultural commodities <sup>2</sup> .....	.6	1.0	.9	323,739	3,063
Cooperative agricultural extension work.....	4.3	4.0	4.3	54,467	2,341
Vocational rehabilitation.....	3.0	2.7	2.9	49,306	1,432
Children's Bureau grants.....	5.3	4.6	5.1	41,500	2,133
Low rent public housing <sup>3</sup> .....	2.9	1.9	3.1	<sup>3</sup> 427,600	13,300
Slum clearance and urban renewal <sup>4</sup> .....	9.4	4.6	5.0	<sup>4</sup> 114,500	5,734
Total: directly related expenditures for the 10 programs <sup>5</sup> .....	1.2	1.1	1.2	<sup>5</sup> 4,700,087	54,525
Prorated overhead expenditures:					
Tax collection and general accounting expenses prorated for the 10 programs <sup>6</sup> .....	.4	.4	.4	-----	20,359
Total administrative and research expenditures, direct and prorated, for the 10 programs <sup>6</sup> .....	1.6	1.5	1.6	-----	74,884
10 programs reviewed, as percent of all programs of Federal aid to State and local governments.....	(7)	(7)	(7)	82	-----

<sup>1</sup> These figures relate expenses of the Bureau of Employment Security, Department of Labor, to the direct grants paid to States for administering the program. The total of Federal administrative expense, including collecting and accounting for the tax as well as administering the grants, is estimated at 2.3 percent of the Federal unemployment tax collected in 1956, 2.4 percent in 1957, and 2.6 percent in 1958.

<sup>2</sup> Relates administrative expense to total value of commodities distributed, including those contributed by the Agricultural Marketing Service under section 32 of the Agricultural Adjustment Act of 1935, as amended, and those contributed by the Commodity Credit Corporation in connection with its price-support operations.

<sup>3</sup> For low rent public housing, the expenditure estimate for fiscal 1958 comprises \$328.6 million for new loans, as well as \$99 million in grants for annual contributions. Administrative expenditures for the program relate to both the grants and the loans and are shown on this basis in the table. If computed as a percentage of the grants alone (excluding the loans), the administrative expenditures in 1956 were 11.3 percent, and were estimated for 1957 at 11.6 percent and for 1958 at 13.4 percent.

<sup>4</sup> For slum clearance and urban renewal, the expenditure estimate for fiscal 1958 comprises \$64 million for loans to local public agencies, as well as \$50.5 million for capital grants. Administrative expenditures for the program related to both the grants and the loans and are shown on this basis in the table. If computed as a percentage of the grants alone (excluding the loans), the administrative expenditures in 1956 were 23.3 percent, and were estimated for 1957 at 9.5 percent and for 1958 at 11.4 percent.

<sup>5</sup> The expenditure total for the 10 programs for fiscal 1958 includes \$392.6 million for loans for low rent public housing and for slum clearance and urban renewal. When these loans are excluded from the base, the directly related administration and research expenditures, \$54,525,000, equal 1.3 percent of the grant expenditures of \$4,307,487,000 for fiscal 1958; and the corresponding ratio for 1956 is 1.3 percent and for 1957, 1.2 percent.

<sup>6</sup> These ratios compare administrative costs with the total of grant and loan expenditures for the 10 programs reviewed. With loan expenditures omitted from the base, the percentages are slightly higher—i.e., for prorated tax collection and general accounting expenses, the ratio is just under 0.5 of 1 percent for each year; and for the aggregate of direct and prorated expenses to grant expenditures for the 10 programs the percentages become 1.8 for 1956, 1.7 for 1957, and 1.7 for 1958.

<sup>7</sup> Not ascertained.

Sources: Basic data are from the budget of the U.S. Government for the fiscal year ending June 30, 1958 (1957). This table prepared by I. M. Labovitz, senior specialist in social welfare, Legislative Reference Service, Library of Congress, is a revision of a similar table included in a report, "Federal Expenditures Associated With the Administration of Programs of Grants-in-Aid to State and Local Governments," Apr. 17, 1957. That report describes in detail the derivation and scope of the figures. The earlier report did not include slum clearance and urban renewal among the programs reviewed.

In the absence of a detailed and specific system of cost accounting and reporting, it is most difficult to assess those Federal expenditures which represent costs of administering programs of grants-in-aid to State and local governments. There are no compilations for grant administration and related activities as a category of Federal expenditures. A definitive estimate of the relationship between (a) the amounts of the grants and (b) the Federal administrative and other expenses associated with the grant programs presupposes a detailed examination of the financing and administration of each program.

The tabulation presented in this report is based upon examination of the budget presentation for 10 programs—the 4 largest Federal grant programs and several smaller ones chosen to represent diverse administrative arrangements. The figures are derived from the budget for 1958 (issued in January 1957). The programs reviewed here account for 83 percent of all Federal grant expenditures (including highway grants) in 1956, 85 percent as estimated for 1957, and 82 percent for 1958. The remaining 15 to 18 percent of Federal grant expenditures in these years are divided among some 58 other separate grant programs.

In this review, a broad or inclusive concept of "administration" or of "related Federal expenditures" is implicitly employed, to avoid understatement of related costs. The comparison for the individual programs is presented in terms of the ratio, to the grants-in-aid, of expenditures by Federal agencies for "administration and research" or for "salaries and expenses" financed from appropriations closely related to each grant-in-aid program. In addition, certain prorated overhead expenses are added in a lump sum for the group of grant programs included in this review.

In general, the Federal expenditures associated with grant programs, and often financed out of the same or closely related appropriations, comprise a mixture of expenses for administrative, supervisory, and accounting activity; for technical, consultative, and advisory services to State and local governments; for related direct Federal services to the public or to nongovernmental organizations; for research and publication services; and for other activities associated with the grant-aided activities only because the same general subject matter or operating agency is concerned. In a few instances, the appropriation associated with an individual grant program covers Federal activities which probably would be carried on whether or not Federal grants are made available for related purposes; in other instances, the administrative expenditures are almost exclusively attributable to the grant program.

Administrative expense estimates for 1958 for individual programs, unlike those for earlier years, include apportioned amounts of one important type of overhead expenses; namely, employer contributions to the civil service retirement fund. On the other hand, the grant-related costs for individual programs omit other general overhead costs of the Government, some limited portion of which might properly be ascribed to the several grant-in-aid programs; i.e., costs of the General Accounting Office, the Executive Office of the President, the general management of the departments and agencies in which the grant-administering units are located, certain central services of personnel recruitment, procurement, and fiscal and property management; and part of the interest on the public debt. Rentals and other expenses for providing office space and services are included in the "related Federal expenditures" to the extent that the operations are conducted in space acquired or leased for the individual agency. For example, the administrative expenses shown for the Federal-aid highway program include \$380,000 in 1958 for rents and utility services. The full cost of space and utilities probably is not reflected for those activities which are conducted in buildings owned or rented by the General Services Administration for the use of Government agencies generally.

In general, any prorating would reflect the fact that grants to State and local governments in the years covered were from 5.5 to 7 percent of all Federal budget expenditures plus highway trust fund expenditures.

However, simple prorating of the Government totals for the various indirect items would not be warranted, as it is clear that many would not be proportionately reduced, if reduced at all, by elimination of the Federal grant expenditures. A rough prorating of two leading categories of indirect costs—the tax-collecting expenses of the Internal Revenue Service and the auditing expenses of the General Accounting Office—is included in the computations, thus bringing a major part of such overhead items into the totals.

## SUMMARY OF FINDINGS

For the grant programs examined, the total of directly related Federal expenditures for administration, research, and other associated activities was estimated in January 1957, at \$54.5 million for the fiscal year 1958. This represents 1.2 percent of the amount of grant payments to State and local governments. The comparable ratio for 1956 is 1.2 percent, and for 1957, 1.1 percent.

With the addition of prorated costs of Federal tax collection and General Accounting Office services, the total of Federal expenditures for activities associated with 10 grant programs reviewed becomes 1.6 percent for 1956, 1.5 percent for 1957, and 1.6 percent for 1958.

The table gives for directly related costs the ratios for each grant program in all 3 years and the dollar amounts for 1958; it summarizes the prorated indirect costs.

For the individual programs reviewed, the ratios of direct costs to grant expenditures during 1956-58 range from one-tenth of 1 percent for the largest Federal grant program, public assistance, to 9 percent in 1956 for the slum clearance and urban renewal program.

Dr. CARR. I want to say, Senator, that I deeply appreciate your perception in this matter, and that one of the arguments that we find that talks back at us repeatedly, as we try to find funds to keep our schools operating at a high level, is this fallacious freight charge argument.

There isn't any evidence to support it and it is not really a question that is debatable. It is perfectly possible to find out what it costs to collect the Federal tax dollar and what it costs to collect a local dollar.

Then you add to the Federal tax dollar a tiny fraction and we have evidence on this, too, a tiny fraction for the actual cost of the administration in Washington, and the dollar will get back to the local people with far less attrition, if it comes through that route, than it does through any other route that is open to the American people.

Furthermore, the Federal taxing mechanism, as we all know, has the treble advantage of being a tax which, while not completely equitable to be sure in every respect, is nevertheless uniform insofar as the entire population of the United States is concerned and diligent efforts are made to have it equitable also.

So that I am very glad you stressed that point and we will introduce the precise force of the evidence when Mr. Lambert testifies in a moment.

Senator MORSE. Thank you very much.

Dr. CARR. The revenues which accrue to the schools then will, of course, be spent in the ways I have described, whether it is construction cost or teachers' salaries, for the salaries of other school employees, indirectly, and so on. And these salaries will become part of the local economy and will be reflected in an increased business in other areas and, eventually, of course, will become the basis for the taxes which can contribute and continue to contribute to the provision of the services that the American people require.

Teachers pay taxes, too, like other folks, but my primary concern is not economics but with the improvement of education.

And I would like to emphasize that the Federal support which can be provided in this bill does not bring with it any necessarily undesirable side effects and that it can strengthen our economy today while it builds to an even stronger and more important strength in our economy in the future and expenditures on education have this peculiar, almost unique, advantage in those terms.

We pride ourselves on having the richest country on earth, so we say, and we have problems of surplus, too much wheat, apparently, just now, too many workers, too many automobiles, if we can believe what we read, too much wealth, at least too much evidence of wealth, but one thing that we have a great deal of but we wouldn't regard as a surplus, I am sure, are the children of the United States. And these are certainly a greater resource than our oil or our timber or our strategic materials of any kind.

It is a little ironic, perhaps, when we talk about strategic materials in this country, that we don't always remember that American youth is of supreme importance as a natural resource, provided, and only provided, that it is given the opportunity to develop itself to the fullest. Of course, we can't speak of children as materials exactly, but the fact remains that in many instances our country has been more willing to invest in tangible things than in human resources.

It is possible, and I bear a plea of culpability, perhaps, on my own part, but it is possible that we in the teaching profession have not been sufficiently forceful and, certainly, we haven't been sufficiently persuasive in stating our case. Perhaps we haven't been militant enough, but we would like to press more attention for research in learning for a greater improvement in the utilization of our young people so they can build a stronger nation, a better world, and more satisfying life for themselves.

One of the reasons that has been advocated lately in this area, as you all know, is the competition with the Soviet education system. This is a competition which, obviously, must be met, but I would like to say that there is an even deeper reason for improving the quality of our educational system.

I want our educational system to be better so that we can compete on equal terms in the development of our resources with the Soviets or with any other hostile or potentially hostile group.

But far more fundamental than that is that we need to improve the quality of our education system in order to live up to our highest and best ideals.

Senator MORSE. Dr. Carr, I am going to interrupt you for just a moment, because Senator Javits has to go to another Senate meeting, and he would like to ask a question or two at this time.

Dr. CARR. Yes, sir.

Senator MORSE. Senator Javits knows that I am always delighted to have him with me at these hearings and I welcome his return.

Senator JAVITS. Thank you very much.

There is one question that I have in mind that is peculiarly within your province, and that is the difference in the approach between the administration's bill and the bill of Senator Cooper and myself.

As a person who has a right to speak with authority in this field, could the record show your views on this question of the contribution from the Federal Government in terms of this bill, which we ascertained yesterday occurred in the case of a State with low per capita income, running up to as high as \$35 or \$36 per pupil, and the foundation plan idea, where you set an optimum standard and then make the State by incentives, move up to meet it insofar as it possibly can, considering its per capita income, and then have the Federal Government try to fill in the vacant place between—this on the general theory that in that way you are sure to give the individual student an equal oppor-

tunity wherever he may be in the United States, and thus assume our country's responsibility in terms of education?

Dr. CARR. Yes, sir. I would like to ask Dr. Lambert to answer part of that, but, before he does, I would like to say that the efforts that you and Senator Cooper and others have made over the years, to help to improve the quality of our schools, are deeply appreciated, and while there are probably a variety of ways of attaining the same good end, as there are many things in life, we do want you to know that your interest in the improvement of our schools, your genuine interest, I know, is greatly appreciated.

And now, if I may, I would like to ask Dr. Lambert to comment specifically on this.

Dr. LAMBERT. Senator Javits, we have examined your bill and we see many fine elements of the bill. The foundation program concept is good.

In your bill you would increase by \$20 the level of education in New York. You would also increase the level of education in the State of West Virginia, \$20, the first year of this program.

It appears to me that we have the same elements in the administration bill in the fact that it underwrites New York at \$15 but provides more of a variable throughout the whole range of States.

Now, the question of just which is the best way to do it. I think it is a matter somewhat of judgment. I think there is one other point.

Many of the States, in fact, a great majority of the States, now operate under a foundation program concept, distributing enough money to guarantee certain minimum standards of education. Now, it may be that possibly the States would want to continue this on their own.

Both bills really have an equalization concept built into them. One is more of a flat amount of money, as in your bill; the other a variable type.

Senator JAVITS. Well, I wouldn't quite go along with you. I think our bill starts on the flat basis just like this bill does but, I think, where it creates higher payments to poorer States, using that term not invidiously, it bases them on the full capability of that State to help itself in terms of the foundation program.

This does not have any reference to an optimum level of education for the individual student. It is solely adjusted to the State's capability to make an effort. If the State's capability to make an effort is less than the average then this bill will favor it more in the payments per pupil, but it has no reference to the fact that a State at the bottom, and let us take a State at the bottom of the scale. I went through this. Take a State like one of those, such as South Carolina, and again I do not speak invidiously as it is all our faults—it is not the fault of South Carolina—which shows up so very unfortunately in terms of those who passed the mental test for selected service, coming way down at the bottom of the scale.

Suppose the statewide draft, which obviously needs our help no matter what you do, just cannot make the grade in terms of an optimum education? I do not know that we ought to be limited to \$35 per pupil. If it takes \$70 per pupil in order to afford that State an optimum education, I would say as a New York Senator, and we pay 20 percent of the taxes, that it is greatly more to our interest to bring up that State than it is to our interest to pay our own \$20.

Dr. LAMBERT. I think there is one other thing that would have some effect on the operation of the Cooper-Javits bill. I think, without some maintenance of effort built into your bill, there may not be a possibility of guaranteeing or insuring any foundation program level.

Senator JAVITS. Well, I am not pleading for the Cooper-Javits bill. I think you will find that we will be on the side of what you consider the angels no matter how this thing works out. I think everybody knows that but I am asking you as technicians: Are we shooting at the target if we confine ourselves to a bill which gives a flat sum for a pupil, based on various formulas? Should we not seek in addition to bring up these really seriously below-par States which just cannot make the grade no matter what they do, unless it is just to tax the people inordinately, and isn't that really one of the most essential things the Federal Government can do?

That is all I ask.

Dr. LAMBERT. Well, I think, maybe there is no complete and final answer to which is the best way to underwrite a foundation program level of education.

This bill ranges from \$20 in New York and, in fact, most of the States are \$20, up to \$60.69 in Mississippi. The only problem I see is that the foundation program is undergirded in New York at the same level as it is in West Virginia.

And I have a feeling there is a tremendous difference in the ability of those two States.

Senator JAVITS. Now, I think I get your point and I think it is a valid point and it was made yesterday. And I would like to make this request of you and if I may, with the Chair's permission, I would like to make it similarly of the Department of Health, Education, and Welfare and that is could you give us your best advice as to the possibility of adding the feature to this bill which would deal with the States which really cannot, even on their own, make the grade for an optimum education?

What can we do in order to help those States a little bit more even in the form of the administration's bill, to help them to at least an optimum level based on their own cost?

Do we need to give some discretionary authority to the Commissioner of Education? What do we need to do, because, for me, coming from the biggest tax-paying State in the United States, it would be worth it to us, instead of giving \$15 if we got \$14.98, if we could do something to put a concrete floor under the education level of the American child, going to public primary and secondary schools.

So if you will be good enough to give us your best thinking on this I would appreciate it. The Chair has already very kindly stated we will probably have people back from time to time as we go along.

I would much appreciate it and it may help us all.

Senator MORSE. The Chair associates itself with the request of the Senator from New York both to the National Education Association and to the Department of Health, Education, and Welfare.



(The following letter was subsequently received for the record:)

NATIONAL EDUCATION ASSOCIATION,  
Washington, D.C., March 24, 1961.

HON. WAYNE MORSE,  
Chairman, Subcommittee on Education,  
Senate Office Building, Washington, D.C.

MY DEAR SENATOR: This letter is submitted in response to a request by the Chair associated with Senator Jacob Javits of New York for my views on the following:

(a) The possibility of adding a feature to this bill (S. 1021) which would deal with the States which really cannot on their own make the grade for an optimum education.

(b) The advisability of giving some discretionary authority to the Commissioner of Education.

In regard to (a) above, the formula could be adjusted in two basic way to allocate more per pupil to the least wealthy States:

1. The cutoff point of \$15 minimum allocation per State could be deleted and the amount released could be distributed to the other States. If this were to be done, it would affect six States and the District of Columbia in the third year (1963-64) when the bill reached its maximum allocation. The six States affected would be Alaska, Connecticut, Delaware, Illinois, New Jersey, and New York. The difference between the allocations to six States and the District of Columbia in the third year of the bill and the amount they would have if the \$15 minimum were eliminated would be approximately \$17.5 million. If this amount were to be distributed proportionately to the remaining 44 States, there would be relatively small increases in the amounts that each of the States would receive. Moreover, the reduction would be very severe for Alaska and the District of Columbia, both of which present special problems in any formula.

2. The second way that the formula might be adjusted to allocate more to the less wealthy States would be to change the so-called spreader factor in the formula contained in S. 1021. This factor is involved in the computation of the States' allotment ratios. The allotment ratio for each State is computed according to the following formula:

State's allotment ratio=1-0.50  $\frac{\text{income per pupil for State}}{\text{income per pupil for United States}}$

The 0.50 in the allotment ratio formula is the spreader factor. As the spreader factor is increased, the spread of equalization between the poorest and the wealthiest States increases. And, conversely, as the factor decreases the equalization ratio between the poorest and the wealthiest States decreases. The following examples show the effects of increasing and decreasing the spreader factor in the formula for the States of Mississippi, Indiana, and New York. Mississippi was chosen because it is the poorest State in terms of income per pupil; Indiana is the closest to the national average in income per pupil; and New York is the wealthiest State.

TABLE 13.—Formula change with change in "spreader factor"

Spreader factor	State	Allotment ratio	Equalization ratio above wealthiest State amount (New York=1)
0.40.....	Mississippi....	0.8375	1:2.2
	Indiana.....	.5998	1:1.6
	New York....	.3789	
0.50.....	Mississippi....	.7968	1:3.6
	Indiana.....	.4997	1:2.2
	New York....	.2236	
0.55.....	Mississippi....	.7765	1:5.3
	Indiana.....	.4497	1:3.1
	New York....	.1460	
0.60.....	Mississippi....	.7562	1:11.1
	Indiana.....	.3996	1:5.8
	New York....	.0684	

It can be seen from the illustration above that depending upon the wishes of the committee it would be possible to either increase or decrease the equalization ratios between the high and the low States through appropriate adjustments of the spreader factor.



In consideration of the amount of the proposed appropriation I am inclined to favor the formula as it now stands in S. 1021. There are wide differences in ability, effort, and levels of expenditure among the 50 States, the District of Columbia, and the noncontiguous parts of the United States which this bill includes. As yet, no State, however, wealthy or willing, has met an optimum level of fiscal support for its public school system. All States will have to do more if within the next few years we are to equip the children in school to meet the current higher demands for an educated citizenry.

This bill provides for a very much needed contribution of Federal funds to every State. The allotments according to equalization when coupled with the equalization inherent in the collection of Federal taxes, is not inconsequential. I believe that it is necessary to retain in this bill a substantial amount per child as now proposed, even to the most prosperous States.

The committee might be well advised to consider a provision which would insure that the proposed spread of Federal funds per pupil be maintained in the event that the Congress does not appropriate the full amount of the funds. This could be done by providing for a proportional reduction in the minimum amount allocated to a State in the event of less than full authorization of the proposed funds; or the equalization limits could be set in terms of ratios rather than absolute amounts.

My advocacy of retaining the formula substantially as it now stands is predicated on two counts: need for Federal funds in all States; and the recognition of the Federal-State-local government partnership to bring the combined financial resources of our Nation behind the efforts of the States and local governments in behalf of the children in public schools.

In regard to (b) above, I am opposed to giving the Commissioner of Education discretionary authority in the allocation of funds to the States, not out of distrust for the Commissioner's discretion, but rather because of the difficulty of defining limits, areas, and scope of discretion when variable allotments to States are involved, and the many conflicting pressures that inevitably would be brought upon the Commissioner. It is my opinion that the Congress is the appropriate agent to resolve the competing needs of the States for funds for the public schools.

Because my remarks in the preceding paragraph are based on Senator Javits' very general suggestion of the advisability of giving discretionary authority to the Commissioner of Education and without benefit of review of any specific proposal, I would reserve the right to alter my position on any specific proposal that may be presented to the Congress.

If I can be of further assistance to the Subcommittee on Education on these or other questions, please let me know.

Very truly yours,

SAM M. LAMBERT,  
*Director, Research Division.*

**MEMORANDUM SUBMITTED BY DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,  
A STATEMENT REGARDING METHOD OF ALLOCATING FUNDS AMONG THE STATES  
UNDER TITLE I OF S. 1021**

The method for allocating Federal funds among the States for purposes of the grant program provided in title I of S. 1021 is based upon (a) relative number of public school pupils and (b) relative income per public school pupil, except that no State would receive less than \$15 per public school pupil in any year.

A State's allotment in any year of the program is the same proportion of the total amount appropriated as the ratio borne by the product of the number of public school pupils in the State and the State's allotment ratio to the sum of such products for all the States. The computation of the allotment may be expressed by the following formula:

$$\text{State's total dollar allotment} = \frac{\text{State product (i.e., State's allotment ratio} \times \text{State's number of public school pupils)}}{\text{Sum of State products}}$$

For example, if a particular State's product were 2 million and the sum of the State products were 25 million, this State would receive two twenty-fifths, or 8 percent, of the total appropriation.

A State's total dollar allotment may be expressed as an allotment per public school pupil by dividing the total allotment by the number of its such pupils.

(Throughout the following discussion the term "allotment" refers to "allotment per pupil" wherever the context permits.) If the State's allotment, computed as explained above, is less than \$15 per pupil, it receives this amount as a minimum.

A State's allotment ratio is determined by its relative income per public school pupil. The allotment ratio is computed by the following formula:

$$\text{State allotment ratio} = 1 - 0.50 \frac{(\text{State income per pupil})}{(\text{National average income per pupil})}$$

The use of this formula results in an allotment ratio for the State with the lowest income per pupil that is about  $3\frac{1}{2}$  times larger than that for the State with the highest income per pupil. Thus the spread of allotments would be  $3\frac{1}{2}$  to 1 if there were no minimum allotment. The combination of the application of the minimum allotment and the specified amounts authorized to be appropriated in section 104 results in a spread of 2 to 1 during the first year of the program, 2.25 to 1 during the second year, and 2.5 to 1 during the third year.

The formula used in this allocation method is readily adaptable to special situations such as the appropriation of amounts smaller than those authorized in the bill. If appropriations are less than the amounts authorized, States' total allotments may be computed on the basis of the authorized amount and then proportionately reduced by a ratio consistent with the actual appropriation.

The spread between allotments among the States provides a reasonable amount of equalization in the light of other aims of this program. Although the equalization feature is important, other factors must also be considered.

All States have unsolved educational problems, and even in relatively prosperous States these problems are extremely complex and require the outlay of large sums of money. The costs of materials and services usually runs higher in the higher income States. Finally, it is in the national interest to encourage and help all States to improve their public school systems, particularly in school districts with relatively low economic resources, which are found even in the relatively prosperous States, and in connection with special educational problems which are intensified in large metropolitan areas of these States.

The cost of raising allotments to the minimum amount of \$15 per pupil is small in relation to the total Federal appropriations authorized. It amounts to less than \$30 million during the first year and drops to about \$17.5 million during the third year of the program because of the larger appropriation authorized in the third year.

Although the spread of allotments is about 2 to 1 during the first year of the program, this spread expressed as a percent of current levels of expenditures is nearer 5 to 1. For example, the \$15 per pupil minimum allotted to New York represents about 2 percent of the State's 1960-61 expenditure per public school pupil, and the \$29.67 allotted to Mississippi is 10.3 percent of 1960-61 expenditure per pupil. The low income States are spending less; therefore, their allotments represent a greater percentage increase. If the allotment to Mississippi were twice as large, as it would be under S. 723 for example, the Federal Government would be supplying over 20 percent of the expenditures for public elementary and secondary education in that State during fiscal year 1962. There may be some doubt that States could profitably absorb allotments which represent extremely large proportions of their expenditures during the early years of the program.

Variations from the allotments produced by the formula in the bill can, of course, be achieved.

A spread, up to  $3\frac{1}{2}$  to 1, between the allotment to the lowest income State and the minimum allotment for the highest income States can be obtained by increasing the amount of money available for equalization. This can be accomplished by either (a) decreasing the minimum allotment or (b) increasing the amount authorized to be appropriated (and allotted).

The formula, under title I of S. 1021, can be modified so that the State allotments would be distributed in different proportions in relation to each other.

One possible variation in the allocation formula would be to change the "pivot point." The pivot point is the number 0.50 in the allotment ratio formula shown above. As the pivot point is raised, the spread between allotment ratios of the lowest and highest income States is increased. Conversely, as the pivot point is lowered, the spread between these allotment ratios is decreased. For example, changing the pivot point in the formula from 0.50 to 0.60 would result in allotment ratios that range between 0.40 and 1.00, instead of 0.50 and 1.00.

for States below the national average in income per pupil, thereby increasing the proportion of the total appropriation which would be allotted to these States. If the pivot point is changed from 0.50 to 0.40, States below the national average in income per pupil would have allotment ratios ranging between 0.60 and 1.00, instead of 0.50 and 1.00, thereby decreasing the proportion of the total appropriation which would be allotted to these States.

Another possible variation of the formula would be to square the allotment ratio. This would result in allotment ratios ranging between 0.25 and 1.00, instead of 0.50 and 1.00, for States below the national average in income per pupil, and thereby increasing the proportion of the total appropriation which would be allotted to these States. In such event the middle and high income States would get less than they do under the present formula, and low income States would get more. (It should be noted that the provision of a minimum allotment may nullify, to some extent, the effect of either changing the pivot point or squaring the allotment ratio.)

All of the factors discussed in the preceding paragraphs were considered in determining the best method for allocating the recommended authorizations among the States under present conditions. The formula in title I of S. 1021 is designed to allocate the available funds for the program efficiently and equitably. The importance of the equalization factor is recognized but it is balanced against the other factors which must be considered in order to provide for the overall improvement of public elementary and secondary education in all the States.

Senator MORSE. May I say to the representatives of the Department of Health, Education, and Welfare that in the interest of both time and economy, I am not going to request the staff of the subcommittee to write formal letters, asking that you supply information which, from time to time, we will request.

I notify you instead, that the transcript of the hearing record will constitute the formal, official request of the subcommittee. This matter of sending out requests with three copies, which is the usual procedure, runs into money. By this notification, I also demonstrate that I believe in keeping down the cost of subcommittee administration and easing the burden so far as the collection of taxes is concerned.

Senator JAVITS. May I say one other word?

Senator Case of New Jersey has asked me to announce that he would have been here today. He wished to appear anyway. Were it not that he is officially engaged in New Jersey on the Subcommittee on Manpower he would have been here.

Senator RANDOLPH. Mr. Chairman, may I be permitted an observation?

Senator MORSE. Yes.

Senator RANDOLPH. I do it because of what our esteemed colleague from New York has indicated. It is perhaps his desire to have figures that are not embraced in the proposal in reference to helping those States which seem to have a very definite need.

I believe it is appropriate to say at this point that in a State like West Virginia we have been a producer of profit for corporations by the hundreds, who have come into our State and certainly we have been helped by them, but they are incorporated, Senator Javits, in other States and the profits made in West Virginia are credited for taxpayers in the States in which the companies are incorporated, whereas the wealth of the companies was produced in a State like West Virginia.

Senator JAVITS. Well, if the Senator will yield:

I think I have never made any claims for New York except that we happen to be the paying agent for a lot of taxes. I would not dream of making the point otherwise. We sell our goods everywhere in the

United States, in the world. We do banking for everybody in the United States. And that is all the more reason for taking the position that we do.

I have, perhaps, made myself politically vulnerable—but it is just too bad—by never voting on the theory that we get back only \$1 for every \$3 or \$4 that we pay in taxes.

Senator RANDOLPH. I commend you, Senator, and I associate myself, as has the chairman, with what you have discussed in reference to the desirability of thinking of this as an overall problem.

Senator JAVITS. Thank you.

Senator MORSE. Dr. Carr, it might be helpful for clarification purposes in the hearing record if I make this comment for your reply. During the line of questioning which Senator Javits has just concluded, would it not be correct to say that the comparable equalization features of the Cooper-Javits bill, S. 723 versus the Morse bill, which is the administration bill, S. 1021 is about as follows: The Cooper-Javits bill provides for a steep equalization, at the extreme of a curve. The form of the curve is a gradual increase until you reach the category of so-called poorer States, economically speaking, then the curve takes a rapid incline upward, whereas the Morse bill provides for a much more gradual equalization all along the line through the 50 States?

Is that a fair description?

Dr. CARR. Yes, sir.

Senator MORSE. Is that a fair description of the differences in the equalization provisions of the Cooper-Javits bill versus the Morse bill?

Dr. CARR. Yes, sir. I think that wraps it up very well. I have just been looking at a chart which shows that very thing.

Senator MORSE. Now, may I make this practical comment on the process?

My situation may be a little bit different than some in that I have the responsibility of doing what I can to get that necessary one vote over 50 percent.

Do you gentlemen agree with me that some features of the Morse bill, with its more gradual equalization program, but which also recognizes some emphasis given to the matter of State effort, even though the State may be poor, might have some bearing upon the practicability or possibility of getting greater voting support in the Senate than the kind of an approach which results in just a few States getting a much higher benefit?

Dr. CARR. Yes, sir. I respect and admire your estimate of the situation.

From all I know, the best way to promote this bill is to get an agreement on the bill that you have introduced. Now, that doesn't mean, I am sure, that you are not going to be, as you have already indicated during these hearings, inflexible about considering the merits of specific cases, but I believe there are many good ways to accomplish a good result and one has to select one of them in spite of its minor imperfections.

And, as of this moment, we believe that the Morse bill is the one that we would like to see enacted.

Senator MORSE. I have some other questions along this line but I will delay them until you finish with your testimony.

Mr. Reporter, I want these insertions immediately following the last colloquy between Dr. Carr and myself.

I would like to have inserted at that point in the record the table entitled "Allotment per pupil in attendance at public elementary and secondary schools under S. 1021 (Morse bill) S. 723 (Cooper-Javits bill), and S. 8 bill of last year as amended."

Another chart is "Total allotments to States under the provisions of S. 723, Cooper-Javits bill."

Table No. 3 is "Estimated allotments to States under S. 1021 (Morse bill) fiscal year 1962, fiscal year 1963, fiscal year 1964."

The other chart is "Percentage of total allotment to each State for each of 3 years of S. 1021 (Morse bill), first year of S. 8; first year of S. 723 (Cooper-Javits bill)." Finally there will be inserted a March 2, 1961, "Comparison of Proposals for Federal Grants for Public Elementary and Secondary Schools."

(The tables referred to follow :)

TABLE 4.—Allotment per pupil in attendance at public elementary and secondary schools under S. 1021 (Morse bill), S. 723 (Cooper-Javits bill), and S. 8

State  (1)	S. 1021 (Morse bill)			S. 723 (Cooper-Javits bill) <sup>1</sup>				S. 8 fiscal year 1962  (9)
	Fiscal year 1962  (2)	Fiscal year 1963  (3)	Fiscal year 1964  (4)	Fiscal year 1962  (5)	Fiscal year 1963  (6)	Fiscal year 1964  (7)	Fiscal year 1965  (8)	
Amount to be distributed (in mil- lions).....	\$666.00	\$766.00	\$866.00	\$709.70	\$771.60	\$853.70	\$946.10	\$916.60
Average amount per pupil.....	19.75	22.04	24.22	22.17	24.10	26.66	29.55	27.19
Alabama.....	27.27	31.06	34.65	34.83	47.33	59.83	72.33	35.69
Alaska.....	15.00	15.00	15.00	20.00	20.00	20.00	20.00	18.81
Arizona.....	22.60	25.74	28.71	20.00	20.00	20.00	20.00	29.46
Arkansas.....	28.18	32.09	35.80	42.12	54.62	67.12	79.62	36.74
California.....	16.82	19.16	21.37	20.00	20.00	20.00	20.00	16.12
Colorado.....	19.83	22.58	25.19	20.00	20.00	20.00	20.00	26.50
Connecticut.....	15.00	15.00	15.00	20.00	20.00	20.00	20.00	13.06
Delaware.....	16.00	15.00	15.00	20.00	20.00	20.00	20.00	16.54
Florida.....	20.65	23.52	26.23	20.00	20.00	20.00	20.00	25.76
Georgia.....	26.05	29.67	33.10	20.00	29.86	42.36	54.86	35.44
Hawaii.....	22.95	26.14	29.16	20.00	20.00	20.00	21.37	29.71
Idaho.....	24.91	28.37	31.64	20.00	21.59	34.09	46.59	31.05
Illinois.....	15.00	15.00	15.00	20.00	20.00	20.00	20.00	21.93
Indiana.....	18.51	21.08	23.52	20.00	20.00	20.00	20.00	26.88
Iowa.....	21.20	24.15	26.94	20.00	20.00	20.00	20.00	29.37
Kansas.....	21.97	25.02	27.91	20.00	20.00	20.00	20.00	27.29
Kentucky.....	24.97	28.44	31.72	20.00	20.00	30.14	42.64	39.35
Louisiana.....	23.56	26.84	29.94	20.00	20.00	29.16	41.66	37.86
Maine.....	22.30	25.40	28.33	20.00	20.00	20.00	20.00	29.84
Maryland.....	16.09	18.32	20.44	20.00	20.00	20.00	20.00	26.33
Massachusetts.....	15.00	15.00	16.09	20.00	20.00	20.00	20.00	20.72
Michigan.....	17.67	20.13	22.45	20.00	20.00	20.00	20.00	26.73
Minnesota.....	20.28	23.10	25.77	20.00	20.00	20.00	20.00	30.53
Mississippi.....	29.67	33.80	37.69	60.69	73.19	85.69	98.19	38.06
Missouri.....	17.03	19.40	21.64	20.00	20.00	20.00	20.00	27.12
Montana.....	20.85	23.75	26.49	20.00	20.00	20.00	20.00	29.45
Nebraska.....	20.00	22.78	25.41	20.00	20.00	20.00	20.00	30.15
Nevada.....	15.87	18.08	20.16	20.00	20.00	20.00	20.00	19.22
New Hampshire.....	17.70	20.15	22.48	20.00	20.00	20.00	20.00	29.84
New Jersey.....	15.00	15.00	15.00	20.00	20.00	20.00	20.00	18.95
New Mexico.....	24.88	28.34	31.61	20.00	22.09	34.59	47.09	32.50
New York.....	15.00	15.00	15.00	20.00	20.00	20.00	20.00	17.62
North Carolina.....	27.25	31.04	34.62	35.14	47.64	60.14	72.64	35.06
North Dakota.....	24.60	28.02	31.26	20.00	20.00	23.82	36.32	37.64
Ohio.....	16.30	18.56	20.71	20.00	20.00	20.00	20.00	24.72
Oklahoma.....	24.39	27.78	30.99	20.00	20.00	20.00	29.95	27.35
Oregon.....	20.10	22.89	25.54	20.00	20.00	20.00	20.00	26.96
Pennsylvania.....	15.00	17.06	19.03	20.00	20.00	20.00	20.00	26.64
Rhode Island.....	15.00	15.00	15.67	20.00	20.00	20.00	20.00	29.83
South Carolina.....	28.25	32.18	35.89	51.23	63.73	76.23	88.73	40.79
South Dakota.....	23.81	27.12	30.25	20.00	20.00	29.22	41.72	35.47
Tennessee.....	26.13	29.76	33.19	21.13	33.63	46.13	58.63	33.75
Texas.....	21.40	24.38	27.19	20.00	20.00	20.00	20.00	33.29
Utah.....	25.34	28.87	32.20	20.00	31.75	44.25	56.75	29.92
Vermont.....	21.16	24.10	26.88	20.00	20.00	20.00	20.00	32.38
Virginia.....	22.88	26.06	29.07	20.00	20.00	20.00	20.66	32.65
Washington.....	19.67	22.40	24.99	20.00	20.00	20.00	20.00	24.12
West Virginia.....	25.56	29.11	32.47	20.00	29.38	41.88	54.38	33.71
Wisconsin.....	17.63	20.07	22.39	20.00	20.00	20.00	20.00	32.65
Wyoming.....	21.11	24.05	26.82	20.00	20.00	20.00	20.00	26.09
District of Columbia.....	15.00	15.00	15.00	20.00	20.00	20.00	20.00	15.62
Guam.....	27.93	31.81	35.48	.....	.....	.....	.....	41.47
Puerto Rico.....	27.93	31.81	35.48	.....	.....	.....	.....	44.58
Virgin Islands.....	27.93	31.81	35.48	.....	.....	.....	.....	49.92

<sup>1</sup> Allotments computed as 1/2 the amount by which minimum foundation exceeds 4 percent of State income, or \$20 per public school child, whichever is larger. Minimum foundation is product of number of pupils in ADA in public elementary and secondary schools times \$325 1st year, \$350 2d year, \$375 3d year, \$400 4th year. Pupils for 1959-60 school year. State personal income, 3-year average 1957-59. Increase in school enrollment not projected.

NOTE—All material relating to S. 723 taken from "Explanation of Cooper Bill" forwarded to Office of Education under the date of Feb. 1, 1961.

TABLE 5.—*Estimated allotments to States under S. 1021 (Morse bill)*

States	Fiscal year 1962		Fiscal year 1963		Fiscal year 1964	
	Amount per State	Amount per pupil in average daily attendance in public schools	Amount per State	Amount per pupil in average daily attendance in public schools	Amount per State	Amount per pupil in average daily attendance in public schools
(1)	(2)	(3)	(4)	(5)	(6)	(7)
50 States, District of Columbia, Guam, Puerto Rico and Virgin Islands.....	\$666,000,000	\$19.75	\$766,000,000	\$22.04	\$866,000,000	\$24.22
Alabama.....	19,691,692	27.27	22,583,245	31.06	25,327,454	34.65
Alaska.....	555,000	15.00	645,000	15.00	750,000	15.00
Arizona.....	6,260,276	22.60	7,619,234	25.74	9,043,884	28.71
Arkansas.....	10,538,844	28.18	11,874,871	32.09	13,101,790	35.80
California.....	52,733,321	16.82	64,313,909	19.16	76,414,133	21.37
Colorado.....	7,157,176	19.83	8,603,311	22.58	10,074,516	25.19
Connecticut.....	6,600,000	15.00	6,960,000	15.00	7,305,000	15.00
Delaware.....	1,155,000	15.00	1,215,000	15.00	1,290,000	15.00
Florida.....	19,120,968	20.65	23,494,752	23.52	28,120,464	26.23
Georgia.....	22,014,247	26.05	25,488,608	29.67	28,859,731	33.10
Hawaii.....	3,121,256	22.95	3,711,812	26.14	4,285,832	29.16
Idaho.....	3,760,723	24.91	4,339,997	28.37	4,872,393	31.64
Illinois.....	23,310,000	15.00	24,060,000	15.00	24,780,000	15.00
Indiana.....	16,956,529	18.51	19,671,096	21.08	22,317,020	23.52
Iowa.....	11,280,457	21.20	13,016,980	24.15	14,680,475	26.94
Kansas.....	9,445,918	21.97	11,033,685	25.02	12,613,723	27.91
Kentucky.....	14,583,887	24.97	16,638,833	28.44	18,558,615	31.72
Louisiana.....	15,034,329	23.56	17,525,995	26.84	19,997,176	29.94
Maine.....	4,125,926	22.30	4,750,050	25.40	5,326,446	28.33
Maryland.....	8,976,670	16.09	10,773,691	18.32	12,629,855	20.44
Massachusetts.....	11,790,000	15.00	12,090,000	15.00	13,273,515	16.09
Michigan.....	27,070,253	17.67	32,079,528	20.13	37,150,155	22.45
Minnesota.....	13,062,937	20.28	15,270,830	23.10	17,445,053	25.77
Mississippi.....	14,687,634	29.67	16,255,415	33.80	17,565,544	37.69
Missouri.....	12,246,808	17.03	14,064,931	19.40	15,795,929	21.64
Montana.....	2,919,012	20.85	3,419,626	23.75	3,920,101	26.49
Nebraska.....	5,321,259	20.00	6,129,038	22.78	6,912,416	25.41
Nevada.....	952,274	15.87	1,174,979	18.08	1,411,359	20.16
New Hampshire.....	1,734,218	17.70	2,035,633	20.15	2,337,963	22.48
New Jersey.....	14,400,000	15.00	14,985,000	15.00	15,555,000	15.00
New Mexico.....	5,275,194	24.88	6,263,277	28.34	7,302,037	31.61
New York.....	37,650,000	15.00	38,715,000	15.00	39,735,000	15.00
North Carolina.....	27,905,485	27.25	32,093,440	31.04	36,142,562	34.62
North Dakota.....	3,100,067	24.60	3,558,869	28.02	3,969,490	31.26
Ohio.....	28,735,988	16.30	33,879,936	18.56	39,031,368	20.71
Oklahoma.....	11,951,838	24.39	13,723,715	27.78	15,400,110	30.99
Oregon.....	7,095,843	20.10	8,356,592	22.89	9,601,681	25.54
Pennsylvania.....	26,880,000	15.00	30,986,280	17.06	34,942,097	19.03
Rhode Island.....	1,800,000	15.00	1,845,000	15.00	1,974,787	15.67
South Carolina.....	15,228,456	28.25	17,537,616	32.18	19,776,441	35.89
South Dakota.....	3,262,057	23.81	3,796,681	27.12	4,295,246	30.25
Tennessee.....	19,542,885	26.13	22,526,242	29.76	25,390,845	33.19
Texas.....	40,262,707	21.40	47,368,850	24.38	54,438,623	27.19
Utah.....	5,778,627	25.34	6,725,922	28.87	7,662,943	32.20
Vermont.....	1,459,990	21.16	1,638,770	24.10	1,827,851	26.88
Virginia.....	17,846,093	22.88	20,821,009	26.06	23,746,498	29.07
Washington.....	11,408,373	19.67	13,486,454	22.40	15,567,293	24.99
West Virginia.....	10,658,865	25.56	12,110,817	29.11	13,443,253	32.47
Wisconsin.....	11,615,012	17.63	13,630,448	20.07	15,650,932	22.39
Wyoming.....	1,541,357	21.11	1,803,631	24.05	2,065,380	26.82
District of Columbia.....	1,620,000	15.00	1,620,000	15.00	1,635,000	15.00
Guam.....	363,080	27.93	445,341	31.81	567,685	35.48
Puerto Rico.....	14,243,895	27.93	17,050,201	31.81	19,904,454	35.48
Virgin Islands.....	167,575	27.93	190,860	31.81	212,882	35.48



TABLE 6.—*Total allotments to States under the provisions of S. 723 (Cooper-Jarvis bill)*<sup>1</sup>

State (1)	Fiscal year 1962 (1st year), esti- mated State allotments (2)	Fiscal year 1963 (2d year), esti- mated State allotments (3)	Fiscal year 1964 (3d year), esti- mated State allotments (4)	Fiscal year 1965 (4th year), esti- mated State allotments (5)
50 States and District of Columbia.....	\$709, 679, 290	\$771, 612, 835	\$853, 724, 328	\$946, 136, 020
Alabama.....	23, 990, 162	32, 600, 175	41, 210, 187	49, 820, 200
Alaska.....	721, 140	721, 140	721, 140	721, 140
Arizona.....	4, 584, 880	4, 584, 880	4, 584, 880	4, 584, 880
Arkansas.....	15, 352, 225	19, 908, 550	24, 464, 875	29, 021, 200
California.....	63, 279, 320	63, 279, 320	63, 279, 320	63, 279, 320
Colorado.....	6, 757, 240	6, 757, 240	6, 757, 240	6, 757, 240
Connecticut.....	8, 380, 860	8, 380, 860	8, 380, 860	8, 380, 860
Delaware.....	1, 457, 840	1, 457, 840	1, 457, 840	1, 457, 840
Florida.....	17, 217, 740	17, 217, 740	17, 217, 740	17, 217, 740
Georgia.....	15, 786, 060	23, 568, 025	33, 434, 312	43, 300, 600
Hawaii.....	2, 646, 088	2, 646, 880	2, 646, 880	2, 828, 800
Idaho.....	2, 943, 800	3, 178, 250	5, 018, 125	6, 858, 000
Illinois.....	29, 449, 960	29, 449, 960	29, 449, 960	29, 449, 960
Indiana.....	16, 719, 420	16, 719, 420	16, 719, 420	16, 719, 420
Iowa.....	10, 598, 740	10, 598, 740	10, 598, 740	10, 598, 740
Kansas.....	8, 558, 780	8, 558, 780	8, 558, 780	8, 558, 780
Kentucky.....	11, 088, 280	11, 088, 280	16, 712, 625	23, 642, 800
Louisiana.....	12, 618, 160	12, 618, 160	18, 395, 250	26, 281, 600
Maine.....	3, 574, 420	3, 574, 420	3, 574, 420	3, 574, 420
Maryland.....	10, 493, 760	10, 493, 760	10, 493, 760	10, 493, 760
Massachusetts.....	15, 569, 280	15, 569, 280	15, 569, 280	15, 569, 280
Michigan.....	29, 679, 420	29, 679, 420	29, 679, 420	29, 679, 420
Minnesota.....	12, 118, 660	12, 118, 660	12, 118, 660	12, 118, 660
Mississippi.....	27, 584, 700	33, 266, 600	38, 948, 500	44, 630, 400
Missouri.....	13, 614, 620	13, 614, 620	13, 614, 620	13, 614, 620
Montana.....	2, 656, 000	2, 656, 000	2, 656, 000	2, 656, 000
Nebraska.....	5, 171, 740	5, 171, 470	5, 171, 470	5, 171, 470
Nevada.....	1, 122, 660	1, 122, 660	1, 122, 660	1, 122, 660
New Hampshire.....	1, 889, 720	1, 889, 720	1, 889, 720	1, 889, 720
New Jersey.....	18, 423, 860	18, 423, 860	18, 423, 860	18, 423, 860
New Mexico.....	4, 041, 580	4, 463, 825	6, 989, 812	9, 515, 800
New York.....	48, 905, 680	48, 905, 680	48, 905, 680	48, 905, 680
North Carolina.....	35, 069, 800	47, 544, 400	60, 019, 000	72, 493, 600
North Dakota.....	2, 421, 860	2, 421, 860	2, 884, 937	4, 398, 600
Ohio.....	33, 719, 520	33, 719, 520	33, 719, 520	33, 719, 520
Oklahoma.....	9, 270, 180	9, 270, 180	9, 270, 180	13, 881, 800
Oregon.....	6, 608, 020	6, 608, 020	6, 608, 020	6, 608, 020
Pennsylvania.....	34, 964, 360	34, 964, 360	34, 964, 360	34, 964, 360
Rhode Island.....	2, 292, 200	2, 292, 200	2, 292, 200	2, 292, 200
South Carolina.....	27, 286, 525	33, 943, 950	40, 601, 375	47, 258, 800
South Dakota.....	2, 731, 940	2, 731, 940	3, 991, 937	5, 699, 400
Tennessee.....	15, 197, 138	24, 189, 225	33, 181, 312	42, 173, 400
Texas.....	36, 736, 260	36, 736, 260	36, 736, 260	36, 736, 260
Utah.....	4, 283, 540	6, 800, 975	9, 478, 187	12, 155, 400
Vermont.....	1, 295, 220	1, 295, 220	1, 295, 220	1, 295, 220
Virginia.....	14, 945, 960	14, 945, 960	14, 945, 960	15, 439, 600
Washington.....	11, 278, 460	11, 278, 460	11, 278, 460	11, 278, 460
West Virginia.....	8, 328, 400	12, 233, 500	17, 438, 750	22, 644, 000
Wisconsin.....	12, 932, 920	12, 932, 920	12, 932, 920	12, 932, 920
Wyoming.....	1, 285, 200	1, 285, 200	1, 285, 200	1, 285, 200
District of Columbia.....	2, 034, 220	2, 034, 220	2, 034, 220	2, 034, 220

<sup>1</sup> Allotments computed as  $\frac{1}{2}$  the amount by which minimum foundation exceeds 4 percent of State income, or \$20 per public school child, whichever is larger. Minimum foundation is product of number of pupils in ADA in public elementary and secondary schools times \$325 1st year, \$350 2d year, \$375 3d year, \$400 4th year. Pupils for 1959-60 school year. State personal income, 3-year average 1957-59. Increase in school enrollment not projected.

NOTE.—All material relating to S. 723 taken from "Explanation of Cooper Bill" forwarded to Office of Education under the date of Feb. 1, 1961.

TABLE 7.—Percentage of total allotment to each State for each of 3 years of S. 1021 (Morse bill) ; 1st year of S. 8; 1st year of S. 723 (Cooper-Javits bill)

State  (1)	S. 1021 (Morse bill)			S. 8	S. 723 (Cooper-Javits bill) <sup>1</sup>
	Fiscal year 1962 (percent) (2)	Fiscal year 1963 (percent) (3)	Fiscal year 1964 (percent) (4)	Fiscal year 1962 (percent) (5)	Fiscal year 1962 (percent) (6)
50 States, District of Columbia, Guam, Puerto Rico and Virgin Islands..	2 100.00	2 100.00	2 100.00	2 100.00	2 100.00
Alabama.....	2.96	2.95	2.92	2.81	3.38
Alaska.....	.08	.08	.09	.08	.10
Arizona.....	.94	.99	1.04	.89	.65
Arkansas.....	1.58	1.55	1.51	1.50	2.16
California.....	7.92	8.39	8.83	5.51	8.92
Colorado.....	1.07	1.12	1.16	1.04	.95
Connecticut.....	.99	.91	.84	.63	1.18
Delaware.....	.17	.16	.15	.14	.21
Florida.....	2.87	3.07	3.25	2.60	2.43
Georgia.....	3.31	3.33	3.33	3.27	2.22
Hawaii.....	.47	.48	.49	.44	.37
Idaho.....	.56	.57	.56	.51	.41
Illinois.....	3.50	3.14	2.86	3.72	4.15
Indiana.....	2.55	2.57	2.58	2.69	2.36
Iowa.....	1.69	1.70	1.70	1.70	1.49
Kansas.....	1.42	1.44	1.46	1.28	1.21
Kentucky.....	2.19	2.17	2.14	2.51	1.56
Louisiana.....	2.26	2.29	2.31	2.63	1.78
Maine.....	.62	.62	.62	.60	.50
Maryland.....	1.35	1.41	1.46	1.60	1.48
Massachusetts.....	1.77	1.58	1.53	1.78	2.19
Michigan.....	4.06	4.19	4.29	4.47	4.18
Minnesota.....	1.96	1.99	2.01	2.15	1.71
Mississippi.....	2.21	2.12	2.03	2.06	3.89
Missouri.....	1.84	1.84	1.82	2.13	1.92
Montana.....	.44	.45	.45	.45	.37
Nebraska.....	.80	.80	.80	.87	.73
Nevada.....	.14	.15	.16	.13	.16
New Hampshire.....	.26	.27	.27	.32	.27
New Jersey.....	2.16	1.96	1.80	1.98	2.60
New Mexico.....	.79	.82	.84	.75	.57
New York.....	5.66	5.05	4.59	4.82	6.90
North Carolina.....	4.19	4.19	4.18	3.92	4.94
North Dakota.....	.47	.46	.46	.52	.34
Ohio.....	4.31	4.42	4.51	4.75	4.75
Oklahoma.....	1.79	1.79	1.78	1.46	1.31
Oregon.....	1.07	1.09	1.11	1.04	.93
Pennsylvania.....	4.04	4.05	4.03	5.21	4.93
Rhode Island.....	.27	.24	.23	.39	.32
South Carolina.....	2.29	2.29	2.28	2.40	3.84
South Dakota.....	.49	.50	.50	.53	.38
Tennessee.....	2.93	2.94	2.93	2.75	2.14
Texas.....	6.05	6.18	6.29	6.84	5.18
Utah.....	.87	.88	.88	.74	.60
Vermont.....	.22	.21	.21	.24	.18
Virginia.....	2.68	2.72	2.74	2.78	2.11
Washington.....	1.71	1.76	1.80	1.53	1.59
West Virginia.....	1.60	1.58	1.55	1.53	1.17
Wisconsin.....	1.74	1.78	1.81	2.35	1.82
Wyoming.....	.23	.24	.24	.21	.18
District of Columbia.....	.24	.21	.19	.18	.29
Guam.....	.05	.06	.07	.06	-----
Puerto Rico.....	2.14	2.23	2.30	2.48	-----
Virgin Islands.....	.03	.02	.02	.03	-----

<sup>1</sup> Based on amounts stated in S. 723.<sup>2</sup> Total authorizations: Col. 2, \$666,000,000; col. 3, \$766,000,000; col. 4, \$866,000,000; col. 5, \$916,620,000; col. 6, \$709,679,290.

*Comparison of proposals for Federal grants for public elementary and secondary schools*

**1 PURPOSE FOR WHICH FEDERAL AID IS AVAILABLE AND PROGRAM DURATION**

S. 1021, title I (administration bill) introduced by Senator Morse and others.	S. 8 (Senators McNamara and Hart)	S. 723 (Senator Cooper and others)
Public elementary and secondary school construction, teachers' salaries, and projects to meet special education problems. (State must reserve each year for special projects an amount equal to 10 percent of 1st year allotment). 3 years duration.	Public elementary and secondary school construction and teachers' salaries. 2 years duration.	Any elementary and secondary school purpose for which public revenues may be legally expended in State. Permanent program.

**2. FEDERAL APPROPRIATIONS AUTHORIZED**

Authorizes appropriations of \$666,000,000; \$766,000,000; and \$866,000,000 respectively for 3 successive fiscal years.	Authorizes appropriations of \$20 times the number of school-age children (5 to 17, inclusive). Estimated amount: \$916,600,000 1st year; \$939,300,000 2d year.	Authorizes appropriations of such amounts as may be necessary. Estimated cost: \$710,000,000; \$790,000,000; \$890,000,000; and \$1,000,000,000, respectively, for 1st 4 fiscal years.
--	--	--

**3. METHOD OF ALLOCATING FEDERAL FUNDS AMONG STATES**

State allotments based upon (a) relative number of public school pupils and (b) relative income per public school pupil, except that no State would receive less than \$15 per public school pupil in any year.	State allotments based upon (a) relative number of school-age children and (b) relative income per school-age child, with the allotment ratio ranging from 0.25 for wealthiest State and 0.75 for poorest State.	State allotments (Federal share) would equal the larger of (a) $\frac{1}{2}$ amount by which a specified sum spent for each public school child exceeds 4 percent of the total personal income of such State, or (b) \$20 per public school child; except that for every year beginning on or after July 1, 1965, only (a) above would be used.
---	--	---

**4. REQUIREMENTS FOR MAINTENANCE OR INCREASE OF STATE AND LOCAL EFFORT**

State's allotment reduced in 2d or 3d year if either (a) it fails to maintain its level of expenditures for support of public schools; or (b) fails to increase its public school expenditures by amount equal to national average rate of increase during 1956-61 period (unless in either such year it exerts average national effort or exceeds average national per-pupil expenditures by 10 percent). No State allotment for any year could be reduced by more than $\frac{1}{4}$ .	Except for 1st year, State's allotment reduced if (a) its effort to support public schools is below national effort, and per-pupil expenditures are less than national average per-pupil expenditures; or (b) it fails in 2d year to increase its total expenditures for public education by an amount determined by formula.	State allotment not paid for any year in which expenditures per public school child for second preceding year fell below average State expenditures for specified base period.
--	---	--

**5. STATE APPLICATION FOR FEDERAL FUNDS**

Application to Commissioner with assurance that State education agency will be sole administrator; specifies portion for construction and portion for teachers' salaries; provides for construction priorities for needy districts; provides for preference for needy districts for salary funds; specifies procedures for use of special project funds; provides for adequate accounting procedures; provides for reports to Commissioner.	Similar to S. 1021, but has no requirement for preference for needy districts in salary-portion distribution; no provision for reports to Commissioner; no provision for approval by Commissioner. (There are no special project grants in the bill.)	Application to Commissioner which provides for administration by State education agency, contains a plan for using funds for school construction, teachers' salaries, improved instruction, acquisition of improved school equipment, and general improvement of public education; procedures for necessary fiscal control of funds. Approval by Commissioner not required.
---	---	---

*Comparison of proposals for Federal grants for public elementary and secondary schools—Continued*

6. OTHER MAJOR PROVISIONS

S. 1021, title I (administration bill) introduced by Senator Morse and others.	S. 8 (Senators McNamara and Hart)	S. 723 (Senator Cooper and others)
A. Contains assurance against Federal interference in schools.	Identical provision.....	Identical provision.
B. Provision for judicial review of Commissioner's disapproval of a State application.	No comparable provision.....	No comparable provision.
C. Portion of allotment can be used for State administrative costs (not to exceed 10 cents per pupil; maximum of \$150,000).	.....do.....	Do.
D. Labor standards provision: workers on federally-aided projects to be paid not less than prevailing wage and 1½ times regular wage for work in excess of 40 hours in 1 week or 8 hours in 1 day.	Provision specifies only payment of not less than prevailing wage.	Do.

Dr. CARR. Resuming the direct testimony, Mr. Chairman, I would like to say that there are always people, very clever people usually, and some of them have probably appeared before your committee, who will inform you, with all the trappings of scholarship that money—money will not solve all the educational questions.

And they will announce this axiom as though they had discovered a new law on thermodynamics.

We get this triumphant discovery that money won't solve all our educational questions. This is one of the shiniest stars that will be held up before your committee some time during these hearings.

Of course, nobody has ever said that money will solve all of our questions but money will help mightily, and I would like in the next section of this testimony to tell you a few things that some additional funds would permit our schools to do, that would actually make them better.

In the first place, we now know a great deal more about good teaching than we can apply, like the old farmer in the encyclopedia, and the reason is simple. The reason we don't apply what we know in considerable part is due to the fact that there just aren't enough qualified teachers available for employment.

TEACHERS DIVERTED TO OTHER FIELDS

Now, we are training a great deal more teachers than we employ but between the receiving the graduation certificate, on the one hand, and the crossing of the threshold of the classroom, on the other, something happens particularly in science and mathematics but in the other fields, too. These teachers, perfectly well prepared to serve the youth of America are interrupted in their progress from receiving the diploma to entering upon employment by other occupations which offer them additional financial incentives, or higher pay. So that the intelligent and informed superintendent and the devoted local board of education, who really want to improve their schools, who know what is needed to do to improve the schools, simply will not be able and are not able now, as the President pointed out in his message to recruit the number of properly trained teachers.

Whenever the demand outruns the supply, there isn't any room for choice or little room, and there is no chance to insist on quality in instruction. Of course, that is the heart of the educational program.

Now, again, let me give another illustration. We know many of the principles that facilitates learning. We know about good lighting in the classroom and adequate laboratories in science. We know the importance of the direct firsthand contact with reality on the part of our young scientific students, for instance, and about good equipment, about the values of a moderate size of class but, again, lack of financial support makes it necessary in many and many school systems to ignore what we know about improving education. The citizens of the State or the locality may be perfectly willing to have better schools, but the fact that their schools depend upon their one form of taxation, which is regressive and highly limited in its scope, makes the job for all practical purposes an impossible one.

I will give you another illustration. We now know a great deal about the attention span of young people, about their endurance, about their fatigue limits, and so on. We understand a great deal about their need for physical education and for healthful play, but there is a continuing backlog of 140,000 classrooms which makes it necessary for many of our schools right now to operate on half-a-day sessions and this violates the laws of good teaching as we know them. And this results in a form of educational starvation for the child or children who are so inadequately housed or housed only part of the time. And Dr. Lambert, a little later on, is going to give you a great deal more evidence on this subject.

He will tell you about the balance of our educational system, something about the progress we have made toward quality education in this country even against the deprivation of access to the most important and uniform system of revenue available, with 4 percent of the budget coming from Federal sources and only 4 percent.

He can tell you, too, about why young people drop out of school too soon and too soon in terms of their later affected citizenship; too soon in terms of their proper contribution to national productivity and security, and their failure later on to participate as they should and develop as responsible citizens in what we hope to make an effective self-governing people.

He will tell and he will deal with a number of facts and figures in this respect, but my point here is to express the hope that this committee and the Congress of the United States will feel that the demonstrated knowledge of how to improve our schools can be put into effect with the assistance of this legislation so that this committee and the Senate and, ultimately, the other House, will arrive at the conclusion that we do need S. 1021 and we need it at once.

I would, of course, echo the words of our President when he said this is a modest program with ambitious goals and the sums involved are relatively small when we think in terms of more than 36 million schoolchildren, and the dollars that are necessary to educate them properly.

I would like to explain that, when I appear before you, I do not do so to adopt a position which is a whim or a view of any small group of people. Every year approximately 5,000 delegates assemble at the convention of the National Education Association. They come from every part of the United States.

They form a representative assembly. They debate the policy of the association for a solid week. I doubt, in fact, whether there is any organization in America, any large organization, which can claim a more active policymaking process by a representative group, and this is the policymaking arm of the association and it is the views of this group which I will put to you.

And I would like to point out, therefore, the parallels between the position of the National Education Association as adopted by the process that I have just described and by the representative——

Senator RANDOLPH. Dr. Carr, may I interrupt you?

Dr. CARR. Of course.

Senator RANDOLPH. It will not break your continuity?

Dr. CARR. No.

Senator RANDOLPH. It may be pardonable on my part to say that West Virginia has contributed two presidents to the National Education Association, Dr. Joseph E. Rosier, now passed along, and a former Member of the U.S. Senate, and Miss Mowrey, still active and working in the National Education Association.

Dr. CARR. Thank you. I am very glad you reminded me of that. If there were other Senators here I could point out some. From New York—if Senator Javits had not left—I would say that our centennial president in 1957, when we celebrated our 100th year of the National Education Association, was a young lady from the State of Oregon named Miss Martha Shull.

I thought I would mention that lest you be tempted to.

Senator RANDOLPH. I am very happy to have provided the opportunity for Oregon.

Dr. CARR. We have been very fortunate, I will say, to have them as our officers. These presidents are chosen by the same broad democratic process by which I am chosen an executive officer or executive secretary.

The association does generally strive to reflect the views of its members and I appreciate your reference to these able leaders that we have had, Senator Randolph.

#### NEA POLICIES AND S. 1021 PARALLELS

Now, I was about to begin the comparison between the policy as thus developed and Senate bill 1021. The money is one point. The money is to be distributed to public schools, according to an objective formula, administered by the U.S. Office of Education. This is in line with the policy of the National Education Association.

There is a clear-cut prohibition against Federal control.

May I say, Senator, the National Education Association was fighting Federal control of our schools before some of the folks who are now making the most fuss about it were born. The bill requires maintenance of State and local financial efforts as part of the local-State-Federal partnership.

We think it is a good point. It acknowledges the Federal responsibility and it seeks to implement that responsibility.

And, finally, the bill you are considering leaves freedom of choice to the State to establish their own priorities as between the two great major purposes of public school expenditure, salaries of teachers and school instruction. In other words, to the best of our ability,

I can say that Senate bill 1021 is clearly in accord with the platform and the democratically developed resolutions of the National Education Association of the United States. I would like to say, too, that the association notes with great approval and interest the relatively new feature of this bill, the provision of a 10-percent allocation for experimental or special purposes, an opportunity to seek new ways of meeting our education problems, identifying potential strength of each child, for instance, of adjusting the curriculum to particular needs.

The future of the United States depends on our ability to do this well. So I have about reached my conclusion, but I would like to just reiterate, in closing, one or two points.

There has been some discussion, Mr. Chairman, about a bill that would provide only for the construction of schools. I believe that the Secretary of Health, Education, and Welfare, in his testimony yesterday, dealt very brilliantly with the objections to such a measure. A bill designed to meet classrooms will not meet the needs of our schools.

#### CLASSROOM CONSTRUCTION WON'T MEET NEEDS

In the first place, it wouldn't permit the States and localities to make their own decisions.

The National Education Association thinks that particularly in these recent years, when our school system is challenged as never before, that we must leave to the local communities the right to say whether they need buildings more or teachers' salaries more or more teachers, for instance, rather than endeavoring to decide that on an absolutely uniform basis throughout the Nation from Washington.

And we think it would be a great mistake for the Congress to say, in effect, "We don't care what you people in the States think you need most. We think you need buildings and we are going to provide funds or part of your funds for buildings."

Senator MORSE. I would like to emphasize that point, Dr. Carr. I am glad you brought it out because I have noticed that, in some instances, the very people and groups who are opposed to Federal aid to education in general, shift to the line that if we are going to have anything at all in the way of Federal aid it must not be anything more than school construction assistance.

One of the reasons which they advance for being against any Federal aid to education is this bugaboo fear that there must not be any Federal domination of education. Yet, in the next breath, they propose to tell the States what they can do or cannot do if there is going to be any Federal aid to education. They say you can build schools, but you can't do anything more.

They belie their own premises, it seems to me, when they take the position, "We are going to tell you what you can or cannot do." You have heard me, Dr. Carr, say this before. I remember how Robert Taft used to meet this argument, when I was a cosponsor of the Taft bill and stood shoulder to shoulder with him on this matter. You may recall, he was sometimes charged with being a creeping Socialist, and he did not appreciate that reference.



## SENATOR TAFT'S ARGUMENT

He used to say, in effect, and you will find in the Congressional Record: "If anyone has any stronger language that will give greater certainty, protecting the State and local school district from Federal domination, give it to me and I will put it in my bill." Then he would add shaking a finger at the Senate, "But you cannot do it because there isn't any language that guarantees the protection more than mine because here it is." Although I paraphrased his statement, I believe it is accurate in sum.

Such language has been in all of my education bills since then. The principle is in the bill we are now considering. It is, that any Federal money, which is allocated to the States, shall be commingled with State funds, and spent by the States in accordance with the State policy. If a State wants to use aid money for school construction that is its own business.

If it wants to use all or part of it for teachers' salaries that too, is its own business. This principle is essential, if you really mean it, when you say we are not going to have Federal dictation as to what the money is going to be spent for, or what the State policy is going to be. I am not going to speak this way very often in the hearing, but this is such an important matter that I wanted to give additional emphasis to this point which you had just brought out.

The test is whether or not we are going to let the States run the show; and whether we are going to recognize that there is a Federal responsibility for assistance to the State in connection with this national education problem. But we cannot permit this decline in education to continue in some parts of our country because the national interest is damaged if we do.

Senator RANDOLPH. Mr. Chairman, I don't want just to echo words, but I want to agree thoroughly with what you said.

Senator MORSE. Senator, I appreciate your comments very much. I want to say that the Senator from West Virginia has stood shoulder to shoulder with me on this battle in the Senate, in both this subcommittee and on the floor. We will be in there again together this year.

Dr. CARR. I remember, Senator Randolph, very clearly and how persuasively you made this point in a television appearance about 2 weeks ago. I thought that your way of putting it just about wrapped it up as succinctly as it could be said and I can't thank both the Senators enough for their emphasis on this point.

Senator MORSE. I think, Dr. Carr, that I will insert at this point, supplementing your statement as well as Senator Randolph's and mine, a release from the Department of Political Science of Washington University, St. Louis, Mo., which bears upon this very point. The release indicates that educators, themselves, have no fear of Federal control when these checks which we are talking about are written into the law.

(The document referred to follows:)

WASHINGTON UNIVERSITY  
DEPARTMENT OF POLITICAL SCIENCE  
St. Louis, Mo.

[Release Feb. 20, 1961]

Prof. Nicholas A. Masters, of Washington University, associate director of the Carnegie Foundation study of State politics and public schools, announced today that preliminary findings indicate that chief State school officers strongly favor increasing Federal aid to education and have no fear of Federal control. These preliminary findings are based on lengthy interviews with State superintendents, assistant superintendents, and division heads in three States: Illinois, Michigan, and Missouri.

State school officials responsible for administering current federally supported programs state that in no instance have Federal officials attempted to exert any control or force any change in the administration of the programs. The Federal Government's only concern, State officials agree, is to ascertain whether the specific requirements of the statutes are being met and to make sure that the money is spent in a manner consistent with State plans, which are formulated and submitted by State school officials in order to obtain Federal funds. All of the State school officials interviewed stated without equivocation that they did not feel that the States had to forego any important programs because they had to use available moneys to meet matching fund requirements.

It was further pointed out that Federal officials, except for auditors, rarely visit local school districts; and when they do they are always accompanied by State officials. State officials were in agreement that whenever matters of Federal aid were involved, the Federal Government always worked through State departments rather than local districts. In fact, some State officials wished the Federal Government would play a more vigorous role, particularly in the administration of the National Defense Education Act, which provides for Federal aid for curriculums development in the sciences and mathematics, improvement of State statistical services, teacher training institutions, etc.

Several State officials are of the opinion that part of the opposition to Federal aid among people in education stems from the following:

(1) State officials who administer the federally supported programs for local districts are often mistaken for Federal officials. Moreover, since State officials have the power to control and supervise local districts in many areas, local school officials sometimes are inclined to think that Federal officials have comparable powers.

(2) The mistaken impression that a State department's leadership role in substantive areas such as curriculum development, research, workshops, etc., was brought about solely through the availability of Federal funds.

(3) Categorical Federal aid makes a program too inflexible and thus State officials have difficulty altering programs to meet current trends toward the improvement of educational services.

Dr. CARR. As I remember it, we had a political campaign for the Presidency of the United States recently in which this matter of school support was one of the, perhaps, two or three most important points on which it was quite clear the candidates had different views, but on one thing they were united and that was there was need for some action by the Government. So that I am astounded occasionally to come here and see any substantial body of opinion which will now raise the question as to whether there is need for action of any kind. And, of course, the issue was in the campaign as between a program aimed at some one objective or one that would give the States a bill that would be concentrated on buildings only wouldn't help States that have already put their best efforts into construction of schools, too.

There is an element of inequity in this respect. If they have already done their very best under broad bonding instruments to build the best

schools they can and have fairly good schools, a bill will not help them at all, if it were limited only to school construction.

Such a bill also would put the tension on the fiscal facilities. I think everyone must agree with Secretary Ribicoff's statement yesterday that it is the teacher who is the more important or the most important of any element in the educational process and, certainly, far more important than the building.

A bill which is concentrated on buildings only would have been of no help either or very little help to a State or community or a section of a community which has a declining population, because those States need freedom to spend any Federal allocation for schools for the strengthening of the program they have rather than for the construction of additional facilities which they do not need because of the decline in population.

So, let's enact a bill which provides this great idea of freedom of choice for the States to decide their own priorities. I want to express to the members of the subcommittee the thanks of the association for the opportunity to testify, to give you assurance of the support of the National Education Association for Senate bill 1021, and our earnest hopes for reasonably quick passage and enactment and the anticipation of a genuine effort by the teaching profession of the country if this bill is passed to renew our most devoted efforts to improve the quality of education of the boys and girls who are sent to our schools.

We believe that this bill will increase our national productivity indirectly. It will immediately stimulate the economy. It will, much more important than any of these things, help exemplify the finest ideals in the country.

Senator MORSE. Thank you very much, Dr. Carr. I have two questions.

I am sure Senator Randolph will be interested in your answers to them. After your response I shall defer to him to ask any questions that he cares to, and following that exchange, I may then ask you further questions or I may postpone them until after I have heard from Dr. Lambert.

Dr. Carr, you were quoted in the newspapers as saying that, with regard to the best program without any ifs or buts, you support the President's program and you, in effect, said the same thing this morning in your testimony.

Does that mean, Dr. Carr, that you go along with the aid to impacted area provisions in this bill?

#### NEA POSITION ON IMPACTED AREA PROVISIONS

Dr. CARR. The without any ifs or buts was attached to the President's message which didn't deal with that part, titles II and III, at all. The association will not, of course, resist an effort to improve the situation of the impacted schools. We feel that it would be desirable in general terms to attain the modest objectives of the President without some drastic cut to the situation of the federally impacted areas.

There are real problems in these areas, Mr. Chairman, and the sudden change in Federal policy in this respect would undoubtedly work some hardship so that we hope that the Congress will examine

items of titles II and III very carefully and find some way to alleviate the sudden hardships.

We think the cuts are too steep and too sudden. I would like to say that we do strongly support the principle that the total Federal legislation, affecting our schools, should be kept in our public schools, elementary and secondary, and should be kept in a single bill. This, we think, is a distinct step forward. We think also the enunciation of the continuing policy of the Federal Government, not year by year but continuing to make payments in lieu of taxes in certain areas where there is a heavy Federal ownership of property, is also a very sound measure.

We strongly support this program of the President. We support this legislation, but we hope that there will be a way found to mitigate the suddenness and the steepness of the reduction in the impacted areas' part.

Senator MORSE. Dr. Carr, may I direct your attention to a statement in an article in the March 1961 issue of *Nation's Business*, a copy of which came across my desk. It was contained in an article against Federal aid for schools by an educator named Mr. Roger Freeman. The article makes the following statement:

If education becomes federalized it will not be because the people want this to happen. The National Education Association and the American Association of School Administrators have stated, "At no one time will they [the people] clearly and decisively take action to make the National Government the predominant agent of educational control. Rather, national control of schools will come by a process of accretion and infiltration. This is how it happened thus far."

My question is, Did the NEA actually make the statement and, if so, what was meant by it?

Dr. CARR. That statement, which Mr. Freeman has there—he does not say, does he, the year in which he gets it? There is a footnote there, Senator.

Senator MORSE. I do not have any footnote.

Dr. CARR. I do not blame him for not putting the footnote on it.

I happen to have written that statement. It was written by the Educational Policies' Commission in 1945 and I don't remember it in detail but I remember quite clearly the circumstances.

I would like to tell you what they were. The whole burden of the statement, from which one sentence has been lifted, and preserved for posterity now by publication in the current issue of *Nation's Business*, the whole burden of that sentence or the whole statement was that the continuation of the Federal policy which then existed of making specific grants for little purposes, which Congress said, now, we will do this and we will do this and we will do this, for education as against a broad overall grant, such as the kind you are considering, was a mistake and was an invitation to the possibility of undesirable Federal control.

At that time we were talking about such things—it seems a long time ago—as the NYA, the educational aspects of Civilian Conservation Corps, and other things of that type about that time were being discussed.

It was the concern of the National Education Association that these highly specific earmarked Federal programs for this and that specific objective of education would carry with it a considerable danger of

control by the Federal Government, but to take this one sentence, therefore, and lift it up and publish it in a current issue without an explanation of where it comes from, does not represent the opinion of the association either then or now.

Senator MORSE. I think it will be helpful, Dr. Carr, if you would file with the subcommittee, so we can have it in the subcommittee files for discussion in executive session, if it becomes pertinent, a copy of the 1945 statement to which you have just referred.

Dr. CARR. I would be very glad to, sir. We will dig it out of the archives and photostat it and bring it up to you.

#### FORMULA DIFFERENCES IN S. 1021 AND S. 8

Senator MORSE. Let me make this comment for your response while you are here. It seems to me that one of the big differences between the formula in the Morse bill and S. 8 of last year is the elimination of private-school children in determining the State allotments.

The S. 8 formula was based upon all school age children in each State. The administration bill, S. 1021, is based upon the average daily attendance at public schools. The change in formula has aroused some differences within the Senate.

It was pointed out that parents who are sending their children to private schools will continue to bear a larger burden of local property tax for school support than under S. 8. In other words, it is claimed that they will get penalized twice. There was, of course, much protest about S. 8 from those who did not realize that their local burden would remain heavier if public-school attendance only were used as a calculation.

The formula starts with the minimum of \$15 per child in the wealthy State and does not begin to equalize, as has already been brought out, until rather a long way down the line. Now, this means, that if less than a full appropriation is provided under S. 1021, equalization will not be achieved to the extent that it would be if the full sums as authorized were to be appropriated.

Some seem to feel that if all school-age children were included in the formula that it not only would be fairer to some so-called larger States with larger private school populations, but it might also work out more equitably in the application of the equalization formula.

Do you have any comment on that?

Dr. CARR. Well, sir, the association supported S. 8, too, as you know, and with some folks you can't win the argument either way. If you say we will count everybody in the State, every child, if he lives in the State, will be counted for the purpose of apportioning these funds, then the retort is made, "So you are counting children who go to the private schools and they will not receive any part of the advantage."

On the other hand, if, as in the present bill, you say, "Very well then, we will only count the children who attend public schools," then the answer is that you are ignoring the children in the private schools. So that I think the use of the average daily attendance is a more refined and more accurate measure for the distribution of money and a better way of doing it on the whole. Although, I don't think it will make a great deal of difference in the actual effect.

I would like to say, sir, while we are on this question, how very profoundly—and this is very general—I admired the wisdom you have shown in calling for very careful documentation on the whole ques-

tion that is involved in this matter, the relation of our private schools to our public school system.

I sometimes think when I hear the discussions around Washington that the entire population of a city must consist of constitutional lawyers but I know this isn't so, and I know I am not one. But there are people, attorneys here in Government and elsewhere, who can advise the Congress on what is appropriate and proper and within the framework of the Constitution and we are all clear, every party to this controversy, whatever point of view they may hold, that it is clear that the Constitution must be obeyed and upheld.

So all we have to do in order to deal with this question is to find out what the Constitution says and act accordingly, and what it means and act accordingly.

And if we act wrongly we still have the courts to review our opinions and to straighten us out if any of us, including Congressmen and Senators, make a mistake in judgment as to what the Constitution should mean.

I profoundly hope that this issue will be treated in the manner that you have described, with the care and deliberation that you have so wisely called for, and that it will not be allowed to give aid and comfort to those people who all along have said or acted as though they did not support the legislation and who will, I fear, fan the flames of an unnecessary controversy to the point where it may exacerbate feelings to the point where the cause for better schools for our children will be involved.

And this means, by the way, not only children of one religious faith but of all religious faiths, for it must not be forgotten that large numbers of Catholic children, probably half of all the Catholic children in the country, are in the public schools.

Setnator MORSE. I appreciate very much the very commonsense statement you have just made, Dr. Carr.

I would like to insert in the record at this point information showing non-public-school enrollment as percent of total enrollment in elementary and secondary schools, 1955-56, which I think are the latest figures or the latest figures I have had made available to me. The data may be found in a research report published by the NEA entitled "Ranking of the States, 1961" and is in table 19, on page 16 of the report. As a matter of fact, since the document as a whole contains much helpful material of a statistical nature pertaining to schools, teachers' salaries and classroom shortages, I shall place it in the record at this point with the instruction that nongermane tables be deleted.

If we can get any figures, Mr. Lee, more recent than those in table 19 on this subject matter add them also to the record.

(The documents referred to follow:)

TABLE 14.—*Non-public-school enrollment as percent of total enrollment in elementary and secondary schools, 1955-56*

	Percent		Percent
1. Rhode Island	27.5	26. Kentucky	10.2
2. New Hampshire	25.4	27. California	9.6
3. Wisconsin	24.6	28. Colorado	8.9
4. Illinois	22.9	29. South Dakota	8.9
5. New Jersey	22.5	30. Arizona	8.8
6. New York	22.5	31. Kansas	8.4
7. Massachusetts	22.4	32. Oregon	7.2
8. Pennsylvania	21.6	33. Washington	6.8
9. Delaware	18.8	34. Nevada	6.2
10. Hawaii	18.3	35. Texas	6.1
11. Vermont	18.2	36. Florida	5.7
12. Minnesota	17.4	37. Alaska	5.4
13. Maryland	17.0	38. Virginia	5.0
14. Louisiana	16.1	39. Wyoming	5.0
15. Connecticut	16.0	40. Idaho	4.0
16. Maine	15.7	41. Alabama	3.3
17. Michigan	15.7	42. Tennessee	3.3
18. Ohio	15.6	43. Mississippi	3.2
19. Missouri	14.5	44. Oklahoma	3.1
20. Nebraska	13.6	45. West Virginia	2.9
48 States and the District of Columbia	13.1	46. Arkansas	2.2
21. Iowa	12.0	47. Utah	2.1
22. Montana	11.1	48. Georgia	1.8
23. New Mexico	11.0	49. South Carolina	1.4
24. North Dakota	11.0	50. North Carolina	1.3
25. Indiana	10.6	Puerto Rico	8.1

(The following table was secured by subcommittee staff and is the latest available data State by State:)



TABLE 15.—Enrollment in full-time public and nonpublic elementary and secondary regular day schools, by State, 1957-58

Region and State  (1)	Total enrollment, all full-time day schools  (2)	Public school enrollment				Nonpublic school enrollment			
		Total (3)	Kindergarten and grades 1 through 8 (4)	Grades 9 through 12 and post-graduate (5)	Public school enrollment as a percent of total enrollment in all schools (6)	Total (7)	Kindergarten and grades 1 through 8 (8)	Grades 9 through 12 and post-graduate (9)	Nonpublic enrollment as a percent of total enrollment in all schools (10)
United States (48 States and District of Columbia).....	38,756,005	33,528,591	25,668,820	7,859,771	86.5	<sup>1</sup> 5,227,414	4,296,806	930,608	13.5
North Atlantic.....	10,135,758	7,901,198	5,943,098	1,958,100	18.0	2,234,560	1,840,211	394,349	22.0
Connecticut.....	529,881	436,552	336,654	99,894	82.4	93,329	70,951	22,378	17.6
Delaware.....	89,775	<sup>2</sup> 72,436	55,894	16,542	80.7	<sup>2</sup> 17,339	13,943	3,396	19.3
Maine.....	217,951	184,226	143,490	40,736	84.5	33,725	23,121	10,604	15.5
Maryland.....	653,626	538,790	415,789	123,001	82.4	<sup>2</sup> 114,836	97,758	17,078	17.6
Massachusetts.....	1,040,101	<sup>2</sup> 810,614	600,256	210,358	77.9	<sup>2</sup> 229,487	184,739	44,748	22.1
New Hampshire.....	129,035	97,478	74,046	23,432	75.5	31,557	23,155	8,402	24.5
New Jersey.....	1,228,079	959,479	730,797	228,682	78.1	<sup>2</sup> 268,600	<sup>2</sup> 229,800	<sup>2</sup> 38,800	21.9
New York.....	3,473,479	2,658,869	2,001,573	657,296	76.5	814,610	694,641	119,969	23.5
Pennsylvania.....	2,379,380	1,834,553	1,345,576	488,977	77.1	544,827	441,091	103,736	22.9
Rhode Island.....	171,959	125,301	95,056	30,245	72.9	<sup>2</sup> 46,658	33,095	13,563	27.1
Vermont.....	86,309	69,717	54,348	15,369	80.8	16,592	11,417	5,175	19.2
District of Columbia.....	136,183	113,183	89,619	23,564	83.1	<sup>2</sup> 23,000	<sup>2</sup> 16,500	<sup>2</sup> 6,500	16.9
Great Lakes and Plains.....	11,425,938	9,514,535	7,200,348	2,314,187	83.3	1,911,403	1,584,231	327,172	16.7
Illinois.....	2,133,541	1,654,311	1,255,583	398,728	77.5	479,230	395,494	83,736	22.5
Indiana.....	1,054,598	934,948	709,691	225,257	88.7	119,650	102,453	17,197	11.3
Iowa.....	655,058	<sup>2</sup> 573,152	435,437	137,715	87.5	<sup>2</sup> 81,906	65,518	16,388	12.5
Kansas.....	501,726	<sup>2</sup> 456,810	348,220	108,590	91.0	44,916	37,538	7,378	9.0
Michigan.....	1,777,696	<sup>2</sup> 1,495,729	1,161,769	333,960	84.1	281,967	225,637	56,330	15.9
Minnesota.....	780,020	637,642	467,344	170,298	81.7	142,378	121,887	20,491	18.3
Missouri.....	909,507	778,507	591,282	187,225	85.6	<sup>2</sup> 131,000	<sup>2</sup> 107,000	<sup>2</sup> 24,000	14.4
Nebraska.....	312,377	266,769	202,435	64,334	85.4	45,608	37,775	7,833	14.6
North Dakota.....	147,634	130,173	96,954	33,219	88.2	17,461	13,992	3,469	11.8
Ohio.....	2,100,124	1,763,837	1,352,064	411,773	84.0	336,287	276,237	60,050	16.0
South Dakota.....	158,801	143,801	108,588	35,213	90.6	<sup>2</sup> 15,000	<sup>2</sup> 12,700	<sup>2</sup> 2,300	9.4
Wisconsin.....	894,856	<sup>2</sup> 678,856	470,981	207,875	75.9	<sup>2</sup> 216,000	<sup>2</sup> 188,000	<sup>2</sup> 28,000	24.1

<b>Southeast</b> .....	8, 890, 339	8, 452, 116	6, 619, 758	1, 832, 358	95.1	438, 223	337, 483	100, 740	4.9
Alabama.....	786, 614	758, 214	584, 674	173, 540	96.4	<sup>1</sup> 28, 400	<sup>1</sup> 21, 300	<sup>1</sup> 7, 100	3.6
Arkansas.....	431, 354	420, 011	320, 988	99, 023	97.4	11, 343	8, 951	2, 392	2.6
Florida.....	925, 233	874, 377	681, 338	193, 039	94.5	50, 856	36, 068	14, 788	5.5
Georgia.....	932, 331	914, 431	732, 946	181, 485	98.1	<sup>1</sup> 17, 900	<sup>1</sup> 11, 500	<sup>1</sup> 6, 400	1.9
Kentucky.....	684, 280	609, 548	477, 604	131, 944	89.1	74, 732	58, 488	16, 244	10.9
Louisiana.....	771, 184	648, 854	509, 273	139, 581	84.1	122, 330	101, 701	20, 629	15.9
Mississippi.....	553, 593	536, 417	433, 282	103, 135	96.9	17, 176	13, 175	4, 001	3.1
North Carolina.....	1, 072, 287	1, 060, 187	815, 177	245, 010	98.9	12, 100	9, 600	2, 500	1.1
South Carolina.....	596, 683	584, 283	466, 032	118, 251	97.9	12, 400	<sup>1</sup> 10, 900	<sup>1</sup> 1, 500	2.1
Tennessee.....	810, 189	780, 933	606, 648	174, 285	96.4	29, 256	20, 142	9, 114	3.6
Virginia.....	847, 464	800, 464	638, 810	161, 654	94.5	<sup>1</sup> 47, 000	<sup>1</sup> 35, 000	<sup>1</sup> 12, 000	5.5
West Virginia.....	479, 127	464, 397	352, 986	111, 411	96.9	14, 730	10, 658	4, 072	3.1
<b>West and southwest</b> .....	8, 303, 970	7, 660, 742	5, 905, 616	1, 755, 126	92.3	643, 228	534, 881	108, 347	7.7
Arizona.....	288, 105	262, 220	205, 512	56, 708	91.0	25, 885	21, 701	4, 184	9.0
California.....	3, 128, 384	<sup>1</sup> 2, 826, 339	2, 192, 256	634, 083	90.3	302, 045	248, 341	53, 704	9.7
Colorado.....	401, 518	365, 518	285, 448	80, 070	91.0	36, 000	<sup>1</sup> 29, 500	<sup>1</sup> 6, 500	9.0
Idaho.....	161, 030	154, 111	113, 776	40, 335	95.7	6, 919	5, 969	950	4.3
Montana.....	154, 700	136, 832	102, 470	34, 362	88.4	17, 868	14, 148	3, 720	11.6
Nevada.....	61, 220	58, 218	45, 841	12, 377	95.1	3, 002	2, 406	596	4.9
New Mexico.....	233, 343	209, 739	163, 568	46, 171	89.9	23, 604	20, 347	3, 257	10.1
Oklahoma.....	530, 520	513, 500	376, 984	136, 516	96.8	17, 020	<sup>1</sup> 13, 600	3, 420	3.2
Oregon.....	386, 487	359, 987	266, 774	93, 213	93.1	26, 500	<sup>1</sup> 21, 100	<sup>1</sup> 5, 400	6.9
Texas.....	2, 042, 212	1, 915, 612	1, 496, 830	418, 782	93.8	<sup>1</sup> 126, 600	<sup>1</sup> 109, 600	<sup>1</sup> 17, 000	6.2
Utah.....	219, 812	214, 812	161, 684	53, 128	97.7	<sup>1</sup> 5, 000	<sup>1</sup> 4, 000	<sup>1</sup> 1, 000	2.3
Washington.....	618, 011	569, 176	437, 370	131, 806	92.1	48, 835	40, 569	8, 266	7.9
Wyoming.....	78, 628	74, 678	57, 103	17, 575	95.0	<sup>1</sup> 3, 950	<sup>1</sup> 3, 600	<sup>1</sup> 350	5.0
<b>Outlying parts:</b>									
Alaska.....	37, 672	36, 017	30, 923	5, 094	95.6	1, 655	1, 374	281	4.4
American Samoa.....	6, 070	5, 012	4, 510	502	82.6	1, 058	971	87	17.4
Canal Zone.....	12, 697	12, 118	9, 589	2, 529	95.4	579	( <sup>6</sup> )	( <sup>6</sup> )	4.6
Guam.....	16, 531	13, 397	11, 129	2, 268	81.0	3, 134	2, 463	671	19.0
Hawaii.....	157, 869	<sup>1</sup> 130, 158	100, 503	29, 655	82.4	27, 711	20, 708	7, 003	17.6
Puerto Rico.....	616, 886	<sup>1</sup> 564, 041	488, 322	75, 719	91.4	<sup>6</sup> 52, 845	<sup>6</sup> 39, 584	<sup>6</sup> 13, 261	8.6
Virgin Islands.....	9, 021	6, 392	5, 429	963	70.9	2, 629	2, 333	296	29.1

<sup>1</sup> Represents nonpublic enrollment in full-time regular day schools only. For enrollment in other types of nonpublic schools, see table A.

<sup>2</sup> Enrollment not cumulative but as of a specific date.

<sup>3</sup> Estimated.

<sup>4</sup> Distribution by grade group estimated.

<sup>5</sup> Distribution by grade group not available.

<sup>6</sup> Data for accredited schools only.

Senator MORSE. I will now have inserted at this point, a comparison of estimated allotments for fiscal year 1964 under S. 1021 (Morse bill), proposed School Assistance Act of 1961 based upon, first, attendance at public elementary and secondary schools, and, second, school age, 5 to 17 inclusive, population.

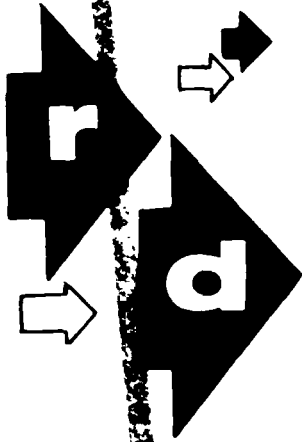
(The document referred to follows:)

TABLE 6.—Comparison of estimated allotments for fiscal year 1964 under S. 1021 (Morse bill), proposed School Assistance Act of 1961, based upon (1) attendance at public elementary and secondary schools, and (2) school-age (5-17, inclusive) population

State	Total State allotments		Allotment per pupil in attendance at public elementary and secondary schools <sup>2</sup>	
	Based upon attendance in public schools <sup>1</sup>	Based upon school-age (5 to 17) population <sup>1</sup>	Total allotment based upon attendance in public schools <sup>1</sup>	State allotment based upon school-age (5 to 17) population <sup>1</sup>
(1)	(2)	(3)	(4)	(5)
50 States, District of Columbia, Guam, Puerto Rico and Virgin Islands.....	\$866, 000, 000	\$866, 000, 000	\$24. 22	\$24. 22
Alabama.....	25, 327, 454	21, 659, 451	34. 65	29. 63
Alaska.....	750, 000	1, 065, 000	15. 00	21. 30
Arizona.....	9, 043, 884	7, 473, 021	28. 71	23. 72
Arkansas.....	13, 101, 790	11, 061, 846	35. 80	30. 22
California.....	76, 414, 133	61, 575, 000	21. 37	17. 22
Colorado.....	10, 074, 516	8, 713, 888	25. 19	21. 78
Connecticut.....	7, 305, 000	9, 000, 000	15. 00	18. 48
Delaware.....	1, 290, 000	1, 980, 000	15. 00	23. 02
Florida.....	28, 120, 464	22, 377, 697	26. 23	20. 87
Georgia.....	28, 859, 731	26, 194, 539	33. 10	30. 04
Hawaii.....	4, 285, 832	3, 464, 325	29. 16	23. 57
Idaho.....	4, 872, 393	4, 076, 251	31. 64	26. 47
Illinois.....	24, 780, 000	38, 565, 000	15. 00	23. 34
Indiana.....	22, 317, 020	21, 876, 827	23. 52	23. 05
Iowa.....	14, 680, 475	13, 411, 172	26. 94	24. 61
Kansas.....	12, 613, 723	10, 603, 610	27. 91	23. 46
Kentucky.....	18, 558, 615	19, 414, 476	31. 72	33. 19
Louisiana.....	19, 997, 176	21, 194, 377	29. 94	31. 73
Maine.....	5, 326, 446	4, 718, 202	28. 33	25. 10
Maryland.....	12, 629, 855	13, 309, 724	20. 44	21. 54
Massachusetts.....	13, 273, 515	17, 070, 000	16. 09	20. 69
Michigan.....	37, 150, 155	37, 133, 686	22. 45	22. 44
Minnesota.....	17, 445, 053	17, 454, 597	25. 77	25. 78
Mississippi.....	17, 565, 544	16, 663, 826	37. 69	35. 76
Missouri.....	15, 795, 929	17, 488, 057	21. 64	23. 96
Montana.....	3, 920, 101	3, 744, 350	26. 49	25. 30
Nebraska.....	6, 912, 416	6, 930, 384	25. 41	25. 48
Nevada.....	1, 411, 359	1, 320, 000	20. 16	18. 86
New Hampshire.....	2, 337, 963	2, 577, 010	22. 48	24. 78
New Jersey.....	15, 555, 000	22, 305, 000	15. 00	21. 51
New Mexico.....	7, 302, 037	6, 171, 539	31. 61	26. 72
New York.....	39, 735, 000	58, 830, 000	15. 00	22. 21
North Carolina.....	36, 142, 562	31, 170, 114	34. 62	29. 86
North Dakota.....	3, 969, 490	4, 151, 345	31. 26	32. 69
Ohio.....	39, 031, 368	39, 645, 000	20. 71	21. 03
Oklahoma.....	15, 400, 110	11, 325, 158	30. 99	22. 79
Oregon.....	9, 601, 681	8, 526, 437	25. 54	22. 68
Pennsylvania.....	34, 942, 097	41, 265, 000	19. 03	22. 48
Rhode Island.....	1, 974, 787	3, 214, 223	15. 67	25. 51
South Carolina.....	19, 776, 441	19, 151, 664	35. 89	34. 76
South Dakota.....	4, 295, 246	4, 163, 788	30. 25	29. 32
Tennessee.....	25, 390, 845	21, 454, 053	33. 19	28. 04
Texas.....	54, 438, 623	56, 087, 623	27. 19	28. 02
Utah.....	7, 662, 943	6, 074, 428	32. 20	25. 52
Vermont.....	1, 827, 851	1, 895, 527	26. 88	27. 88
Virginia.....	23, 746, 498	22, 510, 304	29. 07	27. 55
Washington.....	15, 567, 293	12, 320, 760	24. 99	19. 78
West Virginia.....	13, 443, 253	11, 315, 851	32. 47	27. 33
Wisconsin.....	15, 650, 932	19, 084, 210	22. 39	27. 30
Wyoming.....	2, 065, 380	1, 686, 459	26. 82	21. 90
District of Columbia.....	1, 635, 000	2, 670, 000	15. 00	24. 50
Guam.....	567, 685	450, 363	35. 48	28. 15
Puerto Rico.....	19, 904, 454	18, 164, 636	35. 48	32. 38
Virgin Islands.....	212, 882	250, 202	35. 48	41. 70

<sup>1</sup> Based on 1957 (income) and school age (5 to 17) population.

<sup>2</sup> Projected school age (5 to 17) population, July 1962.



**RESEARCH REPORT 1961-R1**

# **Rankings of the States, 1961**

## **RESEARCH DIVISION**

National Education Association of the United States  
1201 Sixteenth Street, N.W., Washington 6, D.C.

**January 1961**



## FOREWORD

The Research Division of the National Education Association receives many letters asking how the public schools of one state compare with those of another. Exact and completely valid answers to such questions cannot be provided by the Research Division or by any other agency. To date, no one has been able to analyze, assign appropriate weightings to, and summarize in a meaningful way all the complex factors that must be considered in evaluating a state's system of public education.

On the other hand, many sets of statistics can be used as general indicators of educational quality. No single set provides a complete and final answer to the question of how a state ranks, but a combination of several of them throws considerable light on this question.

A state, for example, that ranks first in teachers' salaries, third in percent of pupils finishing high school, second in expenditures per pupil, and fourth in the proportion of teachers holding a bachelor's degree could probably be considered among the better state school systems. A state at the opposite end of the scale on these factors in all probability would be among the lowest one-fourth of systems in quality.

Those who have been using this report will find that this year's edition incorporates some of the data from the 1960 Census. Many of the data which eventually will be available from the Census are not included because reports as yet are not available. In all probability Rankings of the States next year will be affected to a much greater extent by data available from the new Census.

The reader will note that some tables contain figures for the Canal Zone, Guam, Puerto Rico, and the Virgin Islands. At the request of educators in these areas, these data have been included whenever they were available.

SAM M. LAMBERT  
Director, Research Division

[Committee staff note: Four tables pertaining to population, age 65 and over, infant mortality, and presidential voting statistics, have been deleted from the following.]

## GUIDE TO TABLES

## Average daily attendance:

- As percent of enrollment, 17
- Current expenditure per pupil, 42
- Percent increase in current expenditure per pupil, 43
- Revenue from state sources per pupil, 28

## Civilian population:

- Net total migration, 64
- Percent change, 61
- Percent classified as urban, 68
- Percent enrolled in public school, 12
- Percent increase in population 65 years old and older, 63
- Percent of school age, 13

## Educational attainment.

- Adults, 1, 2, 3, 4
- Elementary-school teachers, 20
- Illiteracy, 6
- Selective Service registrants, 5

## Federal government:

- Per-capita income and employment taxes, 41
- Percent of public-school revenue from, 40

## High-school graduates:

- As percent of eighth-grade enrollment, 18

## Instructional staff:

- Average salary, 22
- Percent increase in average salary, 23, 24
- Revenue from state sources per member, 27

## Local governments:

- Revenue for public schools, 25

## Nonpublic-school enrollment:

- As percent of total enrollment, 19

## Personal income:

- Per capita, 49
- Per-capita disposable, 51
- Per child of school age, 52
- Per pupil enrolled in public school, 53
- Percent change in per-capita income, 50
- Public-school revenue from state and local sources as percent of, 55
- Revenue from state sources to local public schools as percent of, 54

## State and local property tax collections as percent of, 54

## State and local tax collections per

\$100 of, 36

State and local tax revenue as percent of, 58

State tax collections per \$100 of, 32

Total general revenue of state and local governments as percent of, 57

Total revenue from state taxes as percent of, 56

## Public-school enrollment:

- As percent of civilian population, 12
- As percent of school-age population, 10

Estimated, 9

Percent in ADA, 17

Percent change, 11

Personal income per pupil in, 53

Revenue from state sources per pupil in, 29

## Public-school expenditures:

- Current, per pupil in ADA, 42
- Per-capita, of state and local governments, 44
- Percent increase in, per pupil in ADA, 43

## Public-school revenue:

- Percent from federal government, 40
- Percent from local governments, 25
- Percent from state governments, 26
- Revenue from state and local sources as percent of personal income, 55
- Revenue from state sources as percent of personal income, 54
- Revenue from state sources per pupil enrolled, 29

## Retail sales:

- Per capita, 66

## Salaries:

- Instructional staff average, 22
- Percent increase in, 23, 24
- Teachers' average, 21

## School-age population:

- As percent of civilian population, 13
- Estimated, 7
- Number per 1,000 adults, 15
- Percent change in, 14
- Percent enrolled in public school, 10
- Personal income per child, 52

## School term:

- Length of, 16

## State and local governments combined:

- Expenditures for all public education as percent of general expenditures, 48

General revenue as percent of personal income, 57



Per-capita expenditures for all public education, 46  
 Per-capita expenditures for local schools, 44  
 Per-capita general revenue from own sources, 34  
 Per-capita property tax revenue, 38  
 Per-capita total general revenue, 33  
 Per-capita total tax collections, 35  
 Property tax collections as percent of personal income, 59  
 Property tax collections per \$100 of personal income, 39  
 Revenue for public schools as percent of personal income, 55  
 Tax collections per \$100 of personal income, 36  
 Tax revenue as percent of personal income, 58

State governments:

Aid to local schools as percent of personal income, 54  
 Per-capita expenditures for all public education, 45  
 Per-capita tax collections, 31  
 Per-capita total debt, 60  
 Per-capita total general expenditures for all purposes, 47  
 Per-capita total general revenue, 30  
 Percent increase in tax collections, 37  
 Percent of school revenue from, 26  
 Revenue per instructional staff member, 27  
 Revenue per pupil in ADA, 28

Tax collections per \$100 of personal income, 32  
 Total tax revenue as percent of personal income, 56

Taxes:

Per-capita federal income and employment, 41  
 Per-capita property tax revenue of state and local governments, 38  
 Per-capita state tax collections, 31  
 Per-capita total tax collections of state and local governments, 35  
 Percent increase in state tax collections, 37  
 State and local property tax collections as percent of personal income, 59  
 State and local tax revenue as percent of personal income, 58  
 State and local property tax collections per \$100 of personal income, 39  
 State tax collections per \$100 of personal income, 32  
 State and local tax collections per \$100 of personal income, 59

Teacher load:

Pupils per teacher, 8

Teachers:

Average salary, 21  
 Percent of elementary-school teachers with at least four years of college, 20

1—Median School Years Completed by Persons 25 Years of Age and Older, 1950

1. Utah .....	12.0
2. California .....	11.6
3. Nevada .....	11.5
4. Alaska .....	11.3
5. Washington .....	11.2
6. Wyoming .....	11.1
7. Colorado .....	10.9
8. Massachusetts .....	10.9
9. Oregon .....	10.9
10. Idaho .....	10.6
11. Kansas .....	10.2
12. Maine .....	10.2
13. Montana .....	10.1
14. Nebraska .....	10.1
15. Arizona .....	10.0
16. Vermont .....	10.0
17. Michigan .....	9.9
18. Ohio .....	9.9
19. Connecticut .....	9.8
20. Delaware .....	9.8
21. Iowa .....	9.8
22. New Hampshire .....	9.8
23. Florida .....	9.6
24. Indiana .....	9.6
25. New York .....	9.6
26. Illinois .....	9.3
27. New Jersey .....	9.3
28. New Mexico .....	9.3
29. Rhode Island .....	9.3
30. Texas .....	9.3

---

48 states and D. C. .... 9.3

---

31. Oklahoma .....	9.1
32. Minnesota .....	9.0
33. Pennsylvania .....	9.0
34. Maryland .....	8.9
35. South Dakota .....	8.9
36. Wisconsin .....	8.9
37. Missouri .....	8.8
38. Hawaii .....	8.7
39. North Dakota .....	8.7
40. Virginia .....	8.5
41. West Virginia .....	8.5
42. Kentucky .....	8.4
43. Tennessee .....	8.4
44. Arkansas .....	8.3
45. Mississippi .....	8.1
46. Alabama .....	7.9
47. North Carolina .....	7.9
48. Georgia .....	7.8
49. Louisiana .....	7.6
50. South Carolina .....	7.6
Canal Zone .....	9.9
Guam .....	8.4
Puerto Rico .....	3.7
Virgin Islands .....	6.2

---

Ref. 17, Table 20; ref. 18.

2—Percent of Population 25 Years of Age and Older with Less Than Five Years of Schooling, 1950

1. Iowa .....	3.9
2. Oregon .....	4.3
3. Utah .....	4.3
4. Idaho .....	4.7
5. Washington .....	4.7
6. Nebraska .....	4.9
7. Kansas .....	5.0
8. Vermont .....	5.5
9. Wyoming .....	5.7
10. Minnesota .....	5.8
11. South Dakota .....	5.8
12. Montana .....	6.3
13. New Hampshire .....	6.3
14. Indiana .....	6.6
15. Maine .....	6.7
16. California .....	6.8
17. Nevada .....	6.8
18. Ohio .....	6.9
19. Colorado .....	7.1
20. Wisconsin .....	7.2
21. Michigan .....	7.5
22. Illinois .....	7.8
23. Massachusetts .....	7.9
24. Missouri .....	8.4
25. North Dakota .....	8.8
26. Connecticut .....	8.9
27. New Jersey .....	9.2
28. Pennsylvania .....	9.4
29. New York .....	9.5
30. Delaware .....	9.7
31. Rhode Island .....	9.7
32. Maryland .....	10.9
33. Oklahoma .....	10.9

---

48 states and D. C. .... 11.0

---

34. Alaska .....	12.9
35. West Virginia .....	13.7
36. Florida .....	13.8
37. Arizona .....	14.2
38. Texas .....	15.8
39. Kentucky .....	16.8
40. Virginia .....	17.5
41. New Mexico .....	18.0
42. Tennessee .....	18.3
43. Arkansas .....	19.8
44. North Carolina .....	21.1
45. Alabama .....	22.6
46. Hawaii .....	23.9
47. Georgia .....	24.2
48. Mississippi .....	25.2
49. South Carolina .....	27.4
50. Louisiana .....	28.7
Canal Zone .....	9.2
Guam .....	29.3
Puerto Rico .....	64.8
Virgin Islands .....	27.9

---

Ref. 17, Table 20; ref. 18.

3—Percent of Population 25 Years Old and Older  
with at Least Four Years of High School, 1950

1.	Utah .....	48.97
2.	California .....	46.1
3.	Alaska .....	45.2
4.	Nevada .....	44.9
5.	Washington .....	43.7
6.	Wyoming .....	43.2
7.	Colorado .....	42.5
8.	Oregon .....	42.0
9.	Massachusetts .....	41.6
10.	Idaho .....	40.0
11.	Kansas .....	39.5
12.	Montana .....	39.0
13.	Nebraska .....	38.5
14.	Arizona .....	37.7
15.	Iowa .....	37.4
16.	Maine .....	36.9
17.	Vermont .....	36.6
18.	New Hampshire .....	36.3
19.	Connecticut .....	36.2
20.	Ohio .....	35.6
21.	Indiana .....	35.1
22.	Florida .....	34.8
23.	New York .....	34.7
24.	Minnesota .....	34.6
25.	New Mexico .....	34.2
26.	Michigan .....	34.1
27.	Illinois .....	34.0
28.	South Dakota .....	34.0
29.	New Jersey .....	33.9
30.	Delaware .....	33.8
48 states and D. C. ....		33.3
31.	Wisconsin .....	33.1
32.	Oklahoma .....	33.0
33.	Hawaii .....	31.2
34.	Pennsylvania .....	31.2
35.	Maryland .....	30.9
36.	Rhode Island .....	30.7
37.	North Dakota .....	30.3
38.	Texas .....	29.9
39.	Missouri .....	29.8
40.	Virginia .....	28.2
41.	West Virginia .....	24.5
42.	Tennessee .....	24.3
43.	Kentucky .....	21.9
44.	Louisiana .....	21.6
45.	Mississippi .....	21.5
46.	Arkansas .....	21.2
47.	Alabama .....	21.0
48.	North Carolina .....	20.5
49.	Georgia .....	20.4
50.	South Carolina .....	18.6
Canal Zone .....		22.5
Guam .....		31.5
Puerto Rico .....		7.0
Virgin Islands .....		10.6

Ref. 17, Table 20; ref. 18.

4—Percent of Population 25 Years Old and Older  
with at Least Four Years of College, 1950

1.	California .....	8.17
2.	Colorado .....	8.1
3.	Utah .....	7.6
4.	Arizona .....	7.4
5.	New York .....	7.4
6.	Alaska .....	7.3
7.	Delaware .....	7.3
8.	Nevada .....	7.3
9.	Massachusetts .....	7.2
10.	Washington .....	7.2
11.	Wyoming .....	7.1
12.	Connecticut .....	7.0
13.	Maryland .....	7.0
14.	New Mexico .....	6.9
15.	New Jersey .....	6.8
16.	Oregon .....	6.6
17.	Florida .....	6.3
18.	Virginia .....	6.3
19.	Oklahoma .....	6.2
20.	Hawaii .....	6.1
21.	Montana .....	6.1
22.	Kansas .....	6.0
23.	New Hampshire .....	6.0
24.	Texas .....	6.0
48 states and D. C. ....		6.0
25.	Illinois .....	5.9
26.	Vermont .....	5.9
27.	Rhode Island .....	5.8
28.	Ohio .....	5.7
29.	Minnesota .....	5.6
30.	Idaho .....	5.5
31.	Pennsylvania .....	5.4
32.	South Carolina .....	5.4
33.	Wisconsin .....	5.4
34.	Michigan .....	5.3
35.	Indiana .....	5.2
36.	Nebraska .....	5.1
37.	Iowa .....	5.0
38.	Missouri .....	5.0
39.	North Carolina .....	5.0
40.	South Dakota .....	4.9
41.	Maine .....	4.8
42.	Louisiana .....	4.7
43.	Georgia .....	4.5
44.	North Dakota .....	4.5
45.	West Virginia .....	4.3
46.	Tennessee .....	4.1
47.	Kentucky .....	3.8
48.	Mississippi .....	3.8
49.	Alabama .....	3.6
50.	Arkansas .....	3.1
Canal Zone .....		7.2
Guam .....		4.6
Puerto Rico .....		1.8
Virgin Islands .....		2.8

Ref. 17, Table 20; ref. 18.

5—Percent of Selective Service Registrants Failing the Mental Test, 1959

1.	Iowa .....	5.6%
2.	Washington .....	5.7
3.	Minnesota .....	5.8
4.	Montana .....	6.6
5.	Utah .....	7.0
6.	Oregon .....	8.0
7.	Idaho .....	8.2
8.	Wyoming .....	8.7
9.	South Dakota .....	9.2
10.	Kansas .....	10.1
11.	North Dakota .....	10.4
12.	Nebraska .....	10.8
13.	Wisconsin .....	11.2
14.	Vermont .....	12.1
15.	New Hampshire .....	12.6
16.	Colorado .....	12.7
17.	Indiana .....	13.0
18.	Michigan .....	13.3
19.	Oklahoma .....	13.3
20.	Ohio .....	15.7
21.	Massachusetts .....	16.0
22.	Maine .....	16.1
23.	Alaska .....	18.2
24.	Missouri .....	18.5
25.	Nevada .....	18.6
26.	Pennsylvania .....	19.3
27.	Connecticut .....	20.5
28.	California .....	20.6
29.	Hawaii .....	21.4
30.	New Mexico .....	21.4
31.	Rhode Island .....	21.9
32.	Maryland .....	22.3
33.	Illinois .....	24.5
34.	Texas .....	24.6
48 states and D. C. ....		24.7
35.	Arizona .....	25.2
36.	New York .....	25.3
37.	New Jersey .....	26.1
38.	West Virginia .....	27.6
39.	Delaware .....	28.9
40.	Tennessee .....	29.6
41.	Virginia .....	32.1
42.	Kentucky .....	35.6
43.	Georgia .....	38.2
44.	Florida .....	40.0
45.	North Carolina .....	40.9
46.	Arkansas .....	43.8
47.	Alabama .....	45.0
48.	Louisiana .....	50.0
49.	Mississippi .....	53.4
50.	South Carolina .....	61.9
Guam (including Mariana Islands) .....		34.6
Puerto Rico (including Canal Zone and Virgin Islands) ..		9.9

Ref. 19, Table 2.

6—Percent of Population 14 Years Old and Older Unable to Read and Write, 1950

1.	Iowa .....	0.9
2.	Nebraska .....	1.2
3.	Oregon .....	1.2
4.	Idaho .....	1.3
5.	Kansas .....	1.3
6.	Washington .....	1.3
7.	Utah .....	1.4
8.	Minnesota .....	1.5
9.	South Dakota .....	1.5
10.	Indiana .....	1.7
11.	Vermont .....	1.7
12.	Wisconsin .....	1.7
13.	Wyoming .....	1.7
14.	Montana .....	1.8
15.	Ohio .....	1.9
16.	Colorado .....	2.0
17.	Maine .....	2.0
18.	Michigan .....	2.0
19.	New Hampshire .....	2.0
20.	Missouri .....	2.1
21.	California .....	2.2
22.	Nevada .....	2.2
23.	Illinois .....	2.3
24.	North Dakota .....	2.3
25.	Oklahoma .....	2.5
26.	Delaware .....	2.7
27.	Maryland .....	2.7
28.	Pennsylvania .....	2.7
29.	Massachusetts .....	2.8
30.	New Jersey .....	2.9
31.	Connecticut .....	3.1
32.	Rhode Island .....	3.1
48 states and D. C. ....		3.2
33.	New York .....	3.5
34.	West Virginia .....	3.5
35.	Florida .....	3.9
36.	Kentucky .....	4.3
37.	Tennessee .....	4.7
38.	Virginia .....	4.9
39.	Arkansas .....	5.0
40.	Texas .....	5.4
41.	North Carolina .....	5.5
42.	Alabama .....	6.2
43.	Arizona .....	6.2
44.	New Mexico .....	6.6
45.	Georgia .....	6.9
46.	Mississippi .....	7.1
47.	South Carolina .....	7.9
48.	Louisiana .....	9.8

Ref. 8, p. 2.

## 7—Estimated School-Age Population (5-17), 1960

50 states and D. C. .... 45,043,000	
<hr/>	
1. New York .....	3,729,000
2. California .....	3,712,000
3. Texas .....	2,659,000
4. Pennsylvania .....	2,658,000
5. Ohio .....	2,446,000
6. Illinois .....	2,404,000
7. Michigan .....	2,149,000
8. New Jersey .....	1,385,000
9. North Carolina .....	1,278,000
10. Indiana .....	1,215,000
11. Florida .....	1,136,000
12. Massachusetts .....	1,105,000
13. Georgia .....	1,095,000
<hr/>	
14. Virginia .....	1,051,000
15. Missouri .....	1,024,000
16. Wisconsin .....	1,021,000
17. Tennessee .....	930,000
18. Louisiana .....	912,000
19. Alabama .....	899,000
20. Minnesota .....	890,000
21. Kentucky .....	828,000
22. Maryland .....	794,000
23. South Carolina .....	734,000
24. Washington .....	732,000
25. Iowa .....	705,000
26. Mississippi .....	629,000
<hr/>	
27. Connecticut .....	563,000
28. Oklahoma .....	560,000
29. Kansas .....	550,000
30. West Virginia .....	525,000
31. Colorado .....	466,000
32. Oregon .....	464,000
33. Arkansas .....	463,000
34. Nebraska .....	367,000
35. Arizona .....	339,000
36. Utah .....	267,000
37. New Mexico .....	263,000
38. Maine .....	237,000
39. Rhode Island .....	201,000
<hr/>	
40. South Dakota .....	189,000
41. Montana .....	187,000
42. Idaho .....	185,000
43. North Dakota .....	180,000
44. Hawaii .....	172,000
45. New Hampshire .....	140,000
46. Delaware .....	117,000
47. Vermont .....	94,000
48. Wyoming .....	90,000
49. Nevada .....	76,000
50. Alaska .....	60,000
<hr/>	
Puerto Rico .....	759,000

Ref. 14, p. 4.

## 8—Pupil-Teacher Ratio in Public Elementary and Secondary Schools, Fall 1959

<hr/>	
1. South Dakota .....	18.1
2. North Dakota .....	19.1
3. Nebraska .....	19.8
4. Wyoming .....	20.2
5. Montana .....	20.9
6. Kansas .....	22.0
7. Iowa .....	22.5
8. Delaware .....	22.6
9. Alaska .....	23.2
10. Vermont .....	23.2
11. Washington .....	23.2
12. Illinois .....	23.3
13. New Jersey .....	23.3
14. New York .....	23.3
15. Colorado .....	23.4
16. New Hampshire .....	23.4
17. Oregon .....	23.7
18. Connecticut .....	24.0
19. Nevada .....	24.3
20. Minnesota .....	24.4
21. Massachusetts .....	24.5
22. Maine .....	24.6
23. Wisconsin .....	24.9
24. Michigan .....	25.2
25. New Mexico .....	25.2
26. Rhode Island .....	25.4
27. Idaho .....	25.6
<hr/>	
50 states and D. C. ....	25.8
<hr/>	
28. Florida .....	26.1
29. Louisiana .....	26.2
30. Maryland .....	26.4
31. Texas .....	26.4
32. Kentucky .....	26.5
33. Virginia .....	26.5
34. Pennsylvania .....	26.8
35. Ohio .....	26.9
36. Oklahoma .....	27.0
37. West Virginia .....	27.0
38. Tennessee .....	27.1
39. Arizona .....	27.2
40. Indiana .....	27.6
41. North Carolina .....	27.7
42. Missouri .....	27.8
43. Utah .....	27.8
44. South Carolina .....	28.0
45. Georgia .....	28.6
46. California .....	29.0
47. Hawaii .....	29.6
48. Alabama .....	30.0
49. Arkansas .....	30.4
50. Mississippi .....	33.7
<hr/>	
Canal Zone .....	31.4
Guam .....	25.5
Puerto Rico .....	42.9
Virgin Islands .....	29.7

Ref. 20, p. 14.

9—Estimated Public Elementary- and Secondary-  
School Enrollment, 1960-61

50 states and D. C. ....		37,244,284
<hr/>		
1.	California .....	3,600,000
2.	New York .....	2,910,000
3.	Texas .....	2,129,967
4.	Ohio .....	1,958,682
5.	Pennsylvania .....	1,950,591
6.	Illinois .....	1,750,779
7.	Michigan .....	1,664,740
8.	North Carolina .....	1,120,000
9.	Florida .....	1,085,247
10.	New Jersey .....	1,050,000
11.	Indiana .....	1,018,000
12.	Georgia .....	969,099
13.	Massachusetts .....	903,000
14.	Virginia .....	879,500
15.	Missouri .....	840,723
16.	Tennessee .....	824,000
17.	Alabama .....	805,250
18.	Wisconsin .....	725,000
19.	Louisiana .....	714,000
20.	Minnesota .....	700,000
21.	Kentucky .....	667,720
22.	Washington .....	644,900
23.	South Carolina .....	619,600
24.	Maryland .....	607,363
25.	Iowa .....	597,955
26.	Mississippi .....	575,000
27.	Oklahoma .....	539,000
28.	Kansas .....	493,000
29.	Connecticut .....	480,000
30.	West Virginia .....	457,000
31.	Arkansas .....	423,040
32.	Oregon .....	397,298
33.	Colorado .....	380,500
34.	Arizona .....	330,000
35.	Nebraska .....	283,000
36.	Utah .....	243,771
37.	New Mexico .....	241,753
38.	Maine .....	204,783
39.	Idaho .....	167,725
40.	South Dakota .....	153,200
41.	Montana .....	144,836
42.	Hawaii .....	144,692
43.	North Dakota .....	137,800
44.	Rhode Island .....	131,513
45.	New Hampshire .....	105,706
46.	Wyoming .....	83,700
47.	Delaware .....	82,206
48.	Vermont .....	74,891
49.	Nevada .....	72,250
50.	Alaska .....	42,400
Canal Zone .....		11,443
Guam .....		14,978
Puerto Rico .....		573,110
Virgin Islands .....		7,125

Ref. 2, p. 21 and 32.

10—Estimated Public Elementary- and Secondary-  
School Enrollment as Percent of School-Age  
Population, 1960-61

50 states and D. C. ....		82.7
<hr/>		
1.	Arizona .....	97.37
2.	California .....	97.0
3.	Oklahoma .....	96.3
4.	Florida .....	95.5
5.	Nevada .....	95.1
6.	Wyoming .....	93.0
7.	New Mexico .....	91.9
8.	Arkansas .....	91.4
9.	Mississippi .....	91.4
10.	Utah .....	91.3
11.	Idaho .....	90.7
12.	Kansas .....	89.6
13.	Alabama .....	89.3
14.	Tennessee .....	88.6
15.	Georgia .....	88.5
16.	Washington .....	88.1
17.	North Carolina .....	87.6
18.	West Virginia .....	87.0
19.	Maine .....	86.4
20.	Oregon .....	85.6
21.	Connecticut .....	85.3
22.	Iowa .....	84.8
23.	South Carolina .....	84.4
24.	Hawaii .....	84.1
25.	Indiana .....	83.8
26.	Virginia .....	83.7
50 states and D. C. ....		82.7
<hr/>		
27.	Missouri .....	82.1
28.	Colorado .....	81.7
29.	Massachusetts .....	81.7
30.	South Dakota .....	81.1
31.	Kentucky .....	80.6
32.	Ohio .....	80.1
33.	Texas .....	80.1
34.	Vermont .....	79.7
35.	Minnesota .....	78.7
36.	Louisiana .....	78.3
37.	New York .....	78.0
38.	Michigan .....	77.5
39.	Montana .....	77.5
40.	Nebraska .....	77.1
41.	North Dakota .....	76.6
42.	Maryland .....	76.5
43.	New Jersey .....	75.8
44.	New Hampshire .....	75.5
45.	Pennsylvania .....	73.4
46.	Illinois .....	72.8
47.	Wisconsin .....	71.0
48.	Alaska .....	70.7
49.	Delaware .....	70.3
50.	Rhode Island .....	65.4
Puerto Rico .....		75.5

Ref. 2, p. 21.

11—Percent of Change in Public Elementary- and Secondary-School Enrollment, 1950-51 to 1960-61

1.	Nevada .....	+177.9%
2.	Alaska .....	+165.0
3.	Florida .....	+128.0
4.	Arizona .....	+127.6
5.	California .....	+ 95.1
6.	Colorado .....	+ 75.3
7.	Maryland .....	+ 74.5
8.	Delaware .....	+ 71.3
9.	Connecticut .....	+ 69.6
10.	Ohio .....	+ 57.1
11.	Michigan .....	+ 56.0
12.	New Mexico .....	+ 55.0
13.	Washington .....	+ 54.7
14.	Hawaii .....	+ 53.9
15.	New Jersey .....	+ 52.6
16.	Oregon .....	+ 51.6
17.	Texas .....	+ 50.6
18.	Utah .....	+ 49.6
19.	Indiana .....	+ 47.5
20.	New Hampshire .....	+ 46.8
21.	New York .....	+ 46.2
22.	Massachusetts .....	+ 45.9
23.	Virginia .....	+ 45.6
24.	Wisconsin .....	+ 45.6
25.	Illinois .....	+ 45.4
50 states and D. C. ....		+ 44.3
26.	Minnesota .....	+ 42.9
27.	Louisiana .....	+ 42.2
28.	Kansas .....	+ 39.3
29.	Wyoming .....	+ 37.2
30.	Rhode Island .....	+ 35.6
31.	Montana .....	+ 35.4
32.	Idaho .....	+ 35.3
33.	Georgia .....	+ 31.9
34.	Vermont .....	+ 29.1
35.	Maine .....	+ 28.8
36.	South Dakota .....	+ 27.7
37.	Missouri .....	+ 26.2
38.	South Carolina .....	+ 23.2
39.	North Carolina .....	+ 23.1
40.	Iowa .....	+ 23.0
41.	Pennsylvania .....	+ 22.5
42.	Nebraska .....	+ 22.0
43.	Tennessee .....	+ 21.9
44.	Kentucky .....	+ 19.4
45.	North Dakota .....	+ 18.8
46.	Oklahoma .....	+ 18.5
47.	Alabama .....	+ 18.0
48.	Mississippi .....	+ 7.7
49.	West Virginia .....	+ 3.2
50.	Arkansas .....	- 8.6
	Canal Zone .....	+ 27.1
	Guam .....	+ 66.4
	Puerto Rico .....	+ 30.3
	Virgin Islands .....	+ 42.5

Ref. 2, p. 21 and 32; ref. 25, p. 4.

12—Estimated Public-School Enrollment as Percent of Total Civilian Population, 1960-61

1.	Utah .....	27.4%
2.	Mississippi .....	26.4
3.	South Carolina .....	26.0
4.	New Mexico .....	25.4
5.	Wyoming .....	25.4
6.	Arizona .....	25.3
7.	Nevada .....	25.3
8.	Idaho .....	25.1
9.	Alabama .....	24.6
10.	Georgia .....	24.6
11.	North Carolina .....	24.6
12.	West Virginia .....	24.6
13.	Arkansas .....	23.7
14.	Oklahoma .....	23.2
15.	Tennessee .....	23.1
16.	California .....	22.9
17.	Hawaii .....	22.9
18.	Kansas .....	22.6
19.	Washington .....	22.6
20.	Oregon .....	22.5
21.	South Dakota .....	22.5
22.	Texas .....	22.2
23.	Virginia .....	22.2
24.	Kentucky .....	22.0
25.	Florida .....	21.9
26.	Louisiana .....	21.9
27.	Indiana .....	21.8
28.	North Dakota .....	21.8
29.	Colorado .....	21.7
30.	Iowa .....	21.7
31.	Montana .....	21.5
32.	Michigan .....	21.3
33.	Maine .....	21.1
50 states and D. C. ....		20.8
34.	Minnesota .....	20.5
35.	Ohio .....	20.2
36.	Nebraska .....	20.1
37.	Maryland .....	19.6
38.	Missouri .....	19.5
39.	Vermont .....	19.2
40.	Connecticut .....	18.9
41.	Alaska .....	18.7
42.	Delaware .....	18.4
43.	Wisconsin .....	18.3
44.	Massachusetts .....	17.5
45.	Illinois .....	17.4
46.	New Hampshire .....	17.4
47.	New Jersey .....	17.3
48.	New York .....	17.3
49.	Pennsylvania .....	17.2
50.	Rhode Island .....	15.3
	Canal Zone .....	27.5
	Guam .....	22.4
	Puerto Rico .....	25.9
	Virgin Islands .....	22.3

Ref. 2, p. 21 and 32; ref. 13, p. 3.



13—Estimated School-Age Population (5-17) as Percent of Total Civilian Population, 1960

1. South Carolina .....	30.8%
2. Utah .....	30.0
3. Mississippi .....	28.9
4. North Dakota .....	28.5
5. West Virginia .....	28.2
6. Louisiana .....	28.0
7. North Carolina .....	28.0
8. Georgia .....	27.8
9. South Dakota .....	27.8
10. Texas .....	27.8
11. Idaho .....	27.7
12. Montana .....	27.7
13. New Mexico .....	27.7
14. Alabama .....	27.5
15. Michigan .....	27.5
16. Kentucky .....	27.3
17. Wyoming .....	27.3
18. Hawaii .....	27.2
19. Colorado .....	26.6
20. Nevada .....	26.6
21. Alaska .....	26.5
22. Virginia .....	26.5
23. Delaware .....	26.2
24. Oregon .....	26.2
25. Indiana .....	26.1
26. Minnesota .....	26.1
27. Tennessee .....	26.1
28. Arizona .....	26.0
29. Nebraska .....	26.0
30. Arkansas .....	25.9
31. Wisconsin .....	25.8
32. Washington .....	25.7
33. Iowa .....	25.6
34. Maryland .....	25.6
35. Kansas .....	25.2
36. Ohio .....	25.2
<hr/>	
50 states and D. C. ....	25.1
<hr/>	
37. Maine .....	24.5
38. Oklahoma .....	24.1
39. Vermont .....	24.1
40. Illinois .....	23.8
41. Missouri .....	23.7
42. California .....	23.6
43. Pennsylvania .....	23.5
44. Rhode Island .....	23.4
45. New Hampshire .....	23.1
46. Florida .....	22.9
47. New Jersey .....	22.8
48. Connecticut .....	22.2
49. New York .....	22.2
50. Massachusetts .....	21.5
<hr/>	
Puerto Rico .....	34.3

Ref. 14, p. 4; ref. 13, p. 3.

14—Percent Change in Estimated School-Age Population (5-17), April 1, 1957, to July 1, 1960

1. Alaska .....	+42.86%
2. Nevada .....	+28.81
3. Florida .....	+21.76
4. California .....	+20.25
5. Arizona .....	+20.21
6. Delaware .....	+19.39
7. Colorado .....	+16.50
8. Maryland .....	+15.57
9. Michigan .....	+15.48
10. Utah .....	+14.59
11. Ohio .....	+14.57
12. New Jersey .....	+14.56
13. Texas .....	+14.51
14. Connecticut .....	+14.20
15. Washington .....	+13.66
16. Kansas .....	+13.17
17. Indiana .....	+13.13
<hr/>	
18. New Mexico .....	+12.88
19. Illinois .....	+12.65
20. Hawaii .....	+12.42
21. Oregon .....	+12.35
<hr/>	
50 states and D. C. ....	+11.61
<hr/>	
22. Wisconsin .....	+11.46
23. Montana .....	+11.31
24. Louisiana .....	+11.22
25. Wyoming .....	+11.11
26. Virginia .....	+11.10
27. Rhode Island .....	+11.05
28. New York .....	+10.95
29. Nebraska .....	+10.88
30. Minnesota .....	+10.70
31. Missouri .....	+ 9.52
32. South Dakota .....	+ 9.25
33. Pennsylvania .....	+ 8.49
34. Georgia .....	+ 8.09
<hr/>	
35. Massachusetts .....	+ 8.02
36. New Hampshire .....	+ 7.69
37. Iowa .....	+ 7.63
38. South Carolina .....	+ 7.47
39. Idaho .....	+ 6.93
40. North Carolina .....	+ 6.68
41. North Dakota .....	+ 6.51
42. Maine .....	+ 6.28
43. Tennessee .....	+ 5.32
44. Vermont .....	+ 4.44
45. Alabama .....	+ 3.69
46. Kentucky .....	+ 3.37
47. Mississippi .....	+ 2.95
48. Oklahoma .....	+ 2.38
49. West Virginia .....	- .57
50. Arkansas .....	- 2.53

Ref. 14, p. 4; ref. 9, p. 4.

15—Number of School-Age Children per 1,000  
Adults Aged 21-64, 1958

1.	Alaska .....	947
2.	New Mexico .....	663
3.	South Carolina .....	631
4.	Mississippi .....	612
5.	Arizona .....	606
6.	Utah .....	605
7.	Hawaii .....	598
8.	Arkansas .....	569
9.	Louisiana .....	567
10.	Alabama .....	564
11.	Georgia .....	563
12.	Idaho .....	563
13.	North Carolina .....	549
14.	Kentucky .....	542
15.	Wyoming .....	532
16.	North Dakota .....	530
17.	West Virginia .....	529
18.	Texas .....	527
19.	South Dakota .....	524
20.	Montana .....	523
21.	Virginia .....	513
22.	Tennessee .....	505
23.	Vermont .....	503
24.	Colorado .....	502
25.	Nevada .....	493
26.	Minnesota .....	492
27.	Washington .....	488
28.	Maine .....	486
29.	Oklahoma .....	485
30.	Kansas .....	481
31.	Michigan .....	480
32.	Florida .....	479
33.	Indiana .....	474
34.	Iowa .....	473
35.	Maryland .....	473
36.	Wisconsin .....	473
37.	Oregon .....	470

---

50 states and D. C. .... 470

---

38.	California .....	462
39.	Nebraska .....	462
40.	Delaware .....	459
41.	Ohio .....	456
42.	New Hampshire .....	448
43.	Missouri .....	429
44.	Massachusetts .....	422
45.	Illinois .....	417
46.	Pennsylvania .....	415
47.	Connecticut .....	413
48.	Rhode Island .....	408
49.	New Jersey .....	401
50.	New York .....	385

---

Puerto Rico ..... 772

---

16—Average Length of School Term in Days,  
1957-58

1.	Missouri .....	182.1
2.	Maine .....	181.3
3.	Pennsylvania .....	180.9
4.	Delaware .....	180.3
5.	New Jersey .....	180.2
6.	Florida .....	180.0
7.	Georgia .....	180.0
8.	Illinois .....	180.0
9.	Michigan .....	180.0
10.	North Carolina .....	180.0
11.	Rhode Island .....	180.0
12.	South Carolina .....	180.0
13.	Virginia .....	180.0
14.	Maryland .....	179.9
15.	New Mexico .....	179.9
16.	Connecticut .....	179.8
17.	Louisiana .....	179.5
18.	Iowa .....	179.3
19.	South Dakota .....	179.0
20.	Hawaii .....	178.2
21.	Colorado .....	178.1
22.	Kansas .....	178.0
23.	North Dakota .....	177.9
24.	Ohio .....	177.9
25.	Wisconsin .....	177.9
26.	Oregon .....	177.8
27.	California .....	177.6

---

48 states and D. C. .... 177.6

---

28.	Montana .....	177.3
29.	Massachusetts .....	177.1
30.	Indiana .....	176.5
31.	Nevada .....	176.5
32.	Nebraska .....	176.4
33.	Wyoming .....	176.4
34.	Tennessee .....	176.3
35.	New Hampshire .....	176.2
36.	New York .....	176.1
37.	Alabama .....	175.5
38.	Washington .....	174.4
39.	Minnesota .....	174.3
40.	Utah .....	174.3
41.	Arkansas .....	174.0
42.	Idaho .....	174.0
43.	Texas .....	173.4
44.	Kentucky .....	172.6
45.	Vermont .....	172.6
46.	Alaska .....	172.0
47.	Oklahoma .....	171.8
48.	West Virginia .....	171.3
49.	Arizona .....	170.0
50.	Mississippi .....	170.0

---

U. S. Office of Education.

## 17—Estimated Average Daily Attendance as Percent of Public-School Enrollment, 1960-61

1. Montana .....	96.5%
2. Colorado .....	94.8
3. Hawaii .....	94.0
4. Nebraska .....	94.0
5. Utah .....	93.6
6. Delaware .....	93.5
7. Vermont .....	92.6
8. New Hampshire .....	92.3
9. Michigan .....	92.0
10. Minnesota .....	92.0
11. Maryland .....	91.9
12. Pennsylvania .....	91.9
13. Connecticut .....	91.7
14. North Dakota .....	91.7
15. New Jersey .....	91.4
16. North Carolina .....	91.4
17. Rhode Island .....	91.2
18. West Virginia .....	91.2
19. Oklahoma .....	90.9
20. Wisconsin .....	90.9
21. Tennessee .....	90.8
22. Maine .....	90.3
23. Idaho .....	90.0
24. Indiana .....	90.0
25. Ohio .....	90.0
26. Washington .....	90.0
27. Alabama .....	89.9
28. Louisiana .....	89.4
29. South Dakota .....	89.4

50 states and D. C. .... 89.1

30. Iowa .....	89.0
31. Illinois .....	88.8
32. Oregon .....	88.8
33. Virginia .....	88.7
34. Arkansas .....	88.4
35. Texas .....	88.3
36. New Mexico .....	87.9
37. Wyoming .....	87.6
38. Kentucky .....	87.4
39. Georgia .....	87.2
40. Kansas .....	87.2
41. California .....	87.1
42. Massachusetts .....	87.0
43. South Carolina .....	87.0
44. Alaska .....	86.3
45. New York .....	86.3
46. Mississippi .....	86.1
47. Missouri .....	85.5
48. Florida .....	85.3
49. Arizona .....	83.9
50. Nevada .....	83.1

Canal Zone ..... 93.5  
 Guam ..... 87.1  
 Puerto Rico ..... 89.0  
 Virgin Islands ..... 88.8

Ref. 2, p. 21 and 32.

## 18—High-School Graduates in 1957-58 as Percent of Eighth-Grade Enrollment in 1953-54

1. Wisconsin .....	94.9
2. Minnesota .....	86.2
3. California .....	79.7
4. Massachusetts .....	77.4
5. Vermont .....	77.4
6. Nebraska .....	76.7
7. Iowa .....	74.7
8. Connecticut .....	74.6
9. Illinois .....	73.8
10. New Jersey .....	73.3
11. Washington .....	73.2
12. Kansas .....	72.8
13. Michigan .....	72.2
14. South Dakota .....	71.8
15. Utah .....	71.3
16. Oregon .....	71.1
17. Montana .....	69.6
18. Indiana .....	68.7
19. New York .....	68.7
20. Ohio .....	68.3
21. Pennsylvania .....	68.2
22. Idaho .....	67.0
23. Wyoming .....	66.6
24. Delaware .....	66.5
25. North Dakota .....	66.3
26. Colorado .....	65.7
27. Rhode Island .....	65.7

49 states and D. C. .... 65.5

28. New Hampshire .....	65.1
29. Oklahoma .....	64.7
30. Missouri .....	62.5
31. Nevada .....	62.5
32. Florida .....	62.4
33. Maryland .....	59.7
34. Virginia .....	59.1
35. Texas .....	58.3
36. Louisiana .....	55.9
37. New Mexico .....	55.9
38. Arizona .....	55.6
39. Maine .....	54.7
40. Arkansas .....	54.6
41. North Carolina .....	53.7
42. West Virginia .....	53.4
43. Alabama .....	52.4
44. Tennessee .....	51.0
45. Alaska .....	48.5
46. Mississippi .....	48.5
47. Kentucky .....	47.9
48. Georgia .....	47.5
49. South Carolina .....	47.0

Canal Zone ..... 61.4  
 Guam ..... 46.4  
 Puerto Rico ..... 37.9

Ref. 21, p. 9; ref. 22, p. 52-53.

19—Nonpublic-School Enrollment as Percent of Total Enrollment in Elementary and Secondary Schools, 1955-56

1.	Rhode Island .....	27.57
2.	New Hampshire .....	25.4
3.	Wisconsin .....	24.6
4.	Illinois .....	22.9
5.	New Jersey .....	22.5
6.	New York .....	22.5
7.	Massachusetts .....	22.4
8.	Pennsylvania .....	21.6
9.	Delaware .....	18.8
10.	Hawaii .....	18.3
11.	Vermont .....	18.2
12.	Minnesota .....	17.4
13.	Maryland .....	17.0
14.	Louisiana .....	16.1
15.	Connecticut .....	16.0
16.	Maine .....	15.7
17.	Michigan .....	15.7
18.	Ohio .....	15.6
19.	Missouri .....	14.5
20.	Nebraska .....	13.6

48 states and D. C. .... 13.1

21.	Iowa .....	12.0
22.	Montana .....	11.1
23.	New Mexico .....	11.0
24.	North Dakota .....	11.0
25.	Indiana .....	10.6
26.	Kentucky .....	10.2
27.	California .....	9.6
28.	Colorado .....	8.9
29.	South Dakota .....	8.9
30.	Arizona .....	8.8
31.	Kansas .....	8.4
32.	Oregon .....	7.2
33.	Washington .....	6.8
34.	Nevada .....	6.2
35.	Texas .....	6.1
36.	Florida .....	5.7
37.	Alaska .....	5.4
38.	Virginia .....	5.0
39.	Wyoming .....	5.0
40.	Idaho .....	4.0
41.	Alabama .....	3.3
42.	Tennessee .....	3.3
43.	Mississippi .....	3.2
44.	Oklahoma .....	3.1
45.	West Virginia .....	2.9
46.	Arkansas .....	2.2
47.	Utah .....	2.1
48.	Georgia .....	1.8
49.	South Carolina .....	1.4
50.	North Carolina .....	1.3

Puerto Rico ..... 8.1

20—Percent of Elementary-School Teachers with at Least Four Years of College Preparation, 1959-60

1.	Oklahoma .....	99.77
2.	Florida .....	98.0
3.	New Mexico .....	96.0
4.	Texas .....	95.6
5.	Utah .....	93.9
6.	North Carolina .....	93.5
7.	South Carolina .....	88.3
8.	Alaska .....	86.8
9.	Colorado .....	85.9
10.	Connecticut .....	85.5
11.	Delaware .....	83.8
12.	Indiana .....	83.6
13.	Alabama .....	82.6
14.	Hawaii .....	81.3
15.	Oregon .....	81.2
16.	Missouri .....	80.0
17.	Arkansas .....	75.0
18.	Illinois .....	73.9
19.	Kansas .....	71.3
20.	Tennessee .....	69.8

21.	Nevada .....	68.8
22.	Mississippi .....	67.1
23.	Wyoming .....	67.1
24.	Ohio .....	65.6
25.	Virginia .....	64.3
26.	Wisconsin .....	60.0
27.	Minnesota .....	57.3
28.	Kentucky .....	55.7
29.	Vermont .....	48.3
30.	Maine .....	42.6
31.	Montana .....	41.5
32.	Iowa .....	34.7
33.	Nebraska .....	27.0
34.	South Dakota .....	17.4

Arizona  
California  
Georgia  
Idaho  
Louisiana  
Maryland  
Massachusetts  
Michigan  
New Hampshire  
New Jersey  
New York  
North Dakota  
Pennsylvania  
Rhode Island  
Washington  
West Virginia

Data incomplete  
or not available

Ref. 23, p. 114-15.

Ref. 3, p. 20-21.

21—Estimated Average Salary of Classroom Teachers in Public Schools, 1960-61

1.	California .....	\$6,700
2.	Alaska .....	6,600
3.	New York .....	6,200
4.	New Jersey .....	5,930
5.	Michigan .....	5,925
6.	Connecticut .....	5,900
7.	Nevada .....	5,800
8.	Delaware .....	5,789
9.	Illinois .....	5,725
10.	Arizona .....	5,700
11.	Maryland .....	5,680
12.	Indiana .....	5,618
13.	Rhode Island .....	5,600
14.	Hawaii .....	5,550
15.	Washington .....	5,510
16.	Massachusetts .....	5,500
17.	Oregon .....	5,500
18.	New Mexico .....	5,400
19.	Ohio .....	5,367
20.	Minnesota .....	5,325
21.	Pennsylvania .....	5,250

50 states and D. C. .... 5,215

22.	Colorado .....	5,175
23.	Wisconsin .....	5,075
24.	Louisiana .....	4,975
25.	Florida .....	4,960
26.	Wyoming .....	4,953
27.	Utah .....	4,950
28.	Oklahoma .....	4,765
29.	Montana .....	4,680
30.	Missouri .....	4,675
31.	Iowa .....	4,582
32.	Kansas .....	4,575
33.	New Hampshire .....	4,569
34.	Texas .....	4,490
35.	Vermont .....	4,450
36.	Idaho .....	4,400
37.	Virginia .....	4,300
38.	Maine .....	4,210
39.	North Carolina .....	4,100
40.	Georgia .....	4,078
41.	Kentucky .....	4,069
42.	Tennessee .....	4,065
43.	Nebraska .....	3,990
44.	West Virginia .....	3,980
45.	Alabama .....	3,850
46.	North Dakota .....	3,800
47.	South Carolina .....	3,725
48.	South Dakota .....	3,675
49.	Arkansas .....	3,550
50.	Mississippi .....	3,415

Canal Zone ..... 6,427  
Guam ..... 3,875  
Puerto Rico ..... 2,630  
Virgin Islands ..... 3,725

Ref. 2, p. 27.

22—Estimated Average Salary of Instructional Staff in Public Schools, 1960-61

1.	California .....	\$6,900
2.	Alaska .....	6,700
3.	New York .....	6,400
4.	Connecticut .....	6,150
5.	Michigan .....	6,125
6.	New Jersey .....	6,065
7.	Nevada .....	6,000
8.	Illinois .....	5,950
9.	Maryland .....	5,905
10.	Delaware .....	5,900
11.	Arizona .....	5,830
12.	Indiana .....	5,760
13.	Hawaii .....	5,740
14.	Washington .....	5,735
15.	Oregon .....	5,700
16.	Rhode Island .....	5,700
17.	Massachusetts .....	5,600
18.	Ohio .....	5,570
19.	New Mexico .....	5,500
20.	Pennsylvania .....	5,450
21.	Minnesota .....	5,440

50 states and D. C. .... 5,389

22.	Colorado .....	5,350
23.	Louisiana .....	5,250
24.	Wisconsin .....	5,175
25.	Utah .....	5,120
26.	Wyoming .....	5,100
27.	Florida .....	5,050
28.	Oklahoma .....	4,910
29.	Missouri .....	4,800
30.	Kansas .....	4,750
31.	Montana .....	4,750
32.	Texas .....	4,665
33.	Iowa .....	4,661
34.	New Hampshire .....	4,651
35.	Idaho .....	4,575
36.	Vermont .....	4,525
37.	Virginia .....	4,500
38.	Maine .....	4,300
39.	North Carolina .....	4,250
40.	Kentucky .....	4,231
41.	Georgia .....	4,200
42.	Nebraska .....	4,140
43.	Tennessee .....	4,110
44.	West Virginia .....	4,100
45.	North Dakota .....	4,000
46.	Alabama .....	3,900
47.	South Carolina .....	3,775
48.	South Dakota .....	3,750
49.	Arkansas .....	3,600
50.	Mississippi .....	3,560

Canal Zone ..... 6,642  
Guam ..... 4,028  
Puerto Rico ..... 2,760  
Virgin Islands ..... 3,800

Ref. 2, p. 27.

23—Percent Increase in Estimated Average Salary  
of Instructional Staff, 1959-60 to 1960-61

1.	Kentucky .....	26.07
2.	South Carolina .....	10.8
3.	Mississippi .....	8.5
4.	Georgia .....	7.6
5.	Tennessee .....	7.6
6.	Colorado .....	6.2
7.	Louisiana .....	6.1
8.	California .....	6.0
9.	Arkansas .....	5.9
10.	Maine .....	5.9
11.	Missouri .....	5.8
12.	Illinois .....	5.3
13.	Maryland .....	5.3
14.	Ohio .....	5.1
15.	New Hampshire .....	5.0
16.	Vermont .....	4.9
17.	Nebraska .....	4.8
18.	Kansas .....	4.7
19.	Iowa .....	4.6
20.	Nevada .....	4.6
21.	Indiana .....	4.5

---

50 states and D. C. .... 4.5

---

22.	Virginia .....	4.4
23.	Arizona .....	4.1
24.	Connecticut .....	4.0
25.	Rhode Island .....	3.9
26.	Michigan .....	3.8
27.	Minnesota .....	3.8
28.	Massachusetts .....	3.7
29.	North Carolina .....	3.7
30.	West Virginia .....	3.7
31.	Oregon .....	3.6
32.	Delaware .....	3.5
33.	New Jersey .....	3.3
34.	New Mexico .....	3.3
35.	Hawaii .....	3.2
36.	Wisconsin .....	3.2
37.	Wyoming .....	3.2
38.	Idaho .....	3.0
39.	Alabama .....	2.8
40.	Pennsylvania .....	2.8
41.	Washington .....	2.7
42.	North Dakota .....	2.6
43.	Oklahoma .....	2.6
44.	Montana .....	2.2
45.	South Dakota .....	2.0
46.	Utah .....	1.9
47.	New York .....	1.6
48.	Alaska .....	1.5
49.	Texas .....	1.2
50.	Florida .....	0.8

Canal Zone .....	10.1
Guam .....	1.1
Puerto Rico .....	14.6
Virgin Islands .....	4.3

Ref. 2, p. 27 and 32.

24—Percent Increase in Estimated Average Salary  
of Instructional Staff, 1950-51 to 1960-61

1.	Mississippi .....	130.47
2.	Kentucky .....	103.0
3.	Maine .....	101.8
4.	Georgia .....	99.4
5.	South Carolina .....	92.2
6.	Arkansas .....	91.8
7.	Iowa .....	90.2
8.	Missouri .....	89.3
9.	North Dakota .....	86.6
10.	Nevada .....	84.8

11.	Rhode Island .....	84.7
12.	Colorado .....	83.5
13.	Louisiana .....	83.3
14.	Pennsylvania .....	81.3
15.	Tennessee .....	81.1
16.	Virginia .....	80.9
17.	California .....	79.7
18.	Idaho .....	79.6
19.	Alabama .....	79.0
20.	Kansas .....	78.4

21.	Indiana .....	77.2
22.	Vermont .....	75.8
23.	Minnesota .....	73.9
24.	Nebraska .....	73.5
25.	Oregon .....	72.7
26.	Wyoming .....	71.9
27.	Michigan .....	70.5
28.	Ohio .....	69.6
29.	New Jersey .....	69.2
30.	Alaska .....	69.0

31.	Massachusetts .....	68.4
32.	Oklahoma .....	67.7
33.	Florida .....	66.0
34.	Hawaii .....	66.0
35.	Wisconsin .....	65.9
36.	South Dakota .....	65.8
37.	West Virginia .....	65.8
38.	Connecticut .....	65.5
39.	Utah .....	65.4
40.	Washington .....	64.5

41.	New Hampshire .....	64.2
42.	Maryland .....	63.8
43.	Delaware .....	63.2
44.	New Mexico .....	63.2
45.	Arizona .....	62.8
46.	Illinois .....	62.1
47.	Montana .....	58.1
48.	New York .....	54.1
49.	Texas .....	48.3
50.	North Carolina .....	43.9

Ref. 2, p. 27 and 32; ref. 25, p. 8.

25—Estimated Percent of Revenue for Public Elementary and Secondary Schools Received from Local Governments, 1960-61

1.	Nebraska .....	91.47
2.	New Hampshire .....	89.7
3.	South Dakota .....	86.2
4.	Iowa .....	85.4
5.	Vermont .....	77.1
6.	Illinois .....	76.9
7.	Wisconsin .....	75.7
8.	New Jersey .....	74.8
9.	Colorado .....	72.7
10.	Kansas .....	72.1
11.	Montana .....	71.1
12.	Massachusetts .....	71.0
13.	Rhode Island .....	71.0
14.	Connecticut .....	70.1
15.	North Dakota .....	69.5
16.	Ohio .....	68.1
17.	Maine .....	66.7
18.	Oregon .....	66.1
19.	Missouri .....	66.0
20.	Indiana .....	65.3
21.	Idaho .....	61.1
22.	Minnesota .....	59.5
23.	Maryland .....	58.5
24.	New York .....	56.4
25.	California .....	56.3
50 states and D. C. ....		56.3

26.	Virginia .....	54.6
27.	Michigan .....	53.7
28.	Arizona .....	52.6
29.	Utah .....	51.5
30.	Oklahoma .....	50.5
31.	Wyoming .....	48.9
32.	Pennsylvania .....	47.1
33.	Texas .....	45.5
34.	Florida .....	43.4
35.	Arkansas .....	41.7
36.	Tennessee .....	41.0
37.	Kentucky .....	40.3
38.	West Virginia .....	38.8
39.	Nevada .....	36.8
40.	Mississippi .....	36.0
41.	Alaska .....	35.4
42.	Washington .....	32.5
43.	Louisiana .....	29.5
44.	Georgia .....	25.9
45.	North Carolina .....	24.3
46.	Alabama .....	22.8
47.	South Carolina .....	21.9
48.	Delaware .....	18.4
49.	Hawaii .....	16.6
50.	New Mexico .....	15.9

Ref. 2, p. 29.

26—Estimated Percent of Revenue for Public Elementary and Secondary Schools Received from the State, 1960-61

1.	Delaware .....	79.67
2.	South Carolina .....	71.8
3.	North Carolina .....	71.1
4.	Hawaii .....	70.8
5.	New Mexico .....	70.6
6.	Alabama .....	69.1
7.	Louisiana .....	68.2
8.	Georgia .....	64.1
9.	Washington .....	61.6
10.	West Virginia .....	57.0
11.	Kentucky .....	55.3
12.	Tennessee .....	55.2
13.	Nevada .....	55.1
14.	Florida .....	55.0
15.	Mississippi .....	54.4
16.	Pennsylvania .....	51.1
17.	Arkansas .....	50.8
18.	Texas .....	50.0
19.	Alaska .....	47.5
20.	Wyoming .....	45.2
21.	Michigan .....	43.6
22.	Utah .....	43.4
23.	Oklahoma .....	42.8
24.	New York .....	42.4
25.	Arizona .....	40.9
26.	California .....	40.4

50 states ..... 40.1

27.	Minnesota .....	37.9
28.	Maryland .....	36.5
29.	Virginia .....	36.1
30.	Idaho .....	32.6
31.	Indiana .....	31.4
32.	Maine .....	29.6
33.	Missouri .....	29.4
34.	Oregon .....	29.4
35.	Ohio .....	29.1
36.	North Dakota .....	28.3
37.	Massachusetts .....	26.9
38.	Connecticut .....	26.6
39.	Montana .....	25.3
40.	Rhode Island .....	24.9
41.	New Jersey .....	23.8
42.	Kansas .....	22.7
43.	Colorado .....	22.1
44.	Vermont .....	22.0
45.	Wisconsin .....	21.3
46.	Illinois .....	20.4
47.	Iowa .....	11.6
48.	South Dakota .....	8.2
49.	New Hampshire .....	5.7
50.	Nebraska .....	4.0

Ref. 2, p. 29.



27—Estimated Revenue from State Sources per Instructional Staff Member, 1960-61

1.	Delaware .....	\$8,252
2.	Hawaii .....	7,364
3.	Louisiana .....	6,678
4.	Alaska .....	6,541
5.	Washington .....	6,349
6.	New Mexico .....	5,954
7.	New York .....	5,656
8.	North Carolina .....	5,364
9.	California .....	5,155
10.	Nevada .....	5,027
11.	South Carolina .....	5,001
12.	Pennsylvania .....	4,925
13.	Michigan .....	4,783
14.	Utah .....	4,700
15.	Georgia .....	4,599
16.	Florida .....	4,568
17.	Wyoming .....	4,225
18.	Alabama .....	4,111
19.	Kentucky .....	4,082
20.	Minnesota .....	4,058
21.	Arizona .....	3,933
50 states .....		3,899
22.	Texas .....	3,777
23.	Tennessee .....	3,691
24.	West Virginia .....	3,673
25.	Maryland .....	3,665
26.	Oklahoma .....	3,500
27.	Arkansas .....	3,403
28.	Indiana .....	3,289
29.	Mississippi .....	3,253
30.	Oregon .....	3,189
31.	Ohio .....	2,979
32.	New Jersey .....	2,747
33.	Virginia .....	2,622
34.	Missouri .....	2,608
35.	Connecticut .....	2,595
36.	Montana .....	2,580
37.	Rhode Island .....	2,500
38.	Maine .....	2,371
39.	Massachusetts .....	2,327
40.	Idaho .....	2,322
41.	Illinois .....	2,189
42.	Colorado .....	2,111
43.	Wisconsin .....	2,098
44.	North Dakota .....	1,821
45.	Vermont .....	1,785
46.	Kansas .....	1,730
47.	Iowa .....	881
48.	South Dakota .....	518
49.	New Hampshire .....	490
50.	Nebraska .....	271

Ref. 2, p. 23 and 29.

28—Estimated Revenue from State Sources per Pupil in ADA, 1960-61

1.	Delaware .....	\$417
2.	Alaska .....	350
3.	New York .....	299
4.	Hawaii .....	298
5.	Louisiana .....	298
6.	Washington .....	298
7.	New Mexico .....	271
8.	Wyoming .....	230
9.	Pennsylvania .....	229
10.	California .....	217
11.	Michigan .....	217
12.	Nevada .....	214
13.	North Carolina .....	210
14.	Florida .....	206
15.	South Carolina .....	200
16.	Minnesota .....	194
17.	Georgia .....	190
18.	Utah .....	189
19.	Arizona .....	183
50 states .....		179
20.	Texas .....	177
21.	Kentucky .....	176
22.	Maryland .....	166
23.	Alabama .....	163
24.	Oregon .....	159
25.	Oklahoma .....	157
26.	West Virginia .....	153
27.	Tennessee .....	146
28.	New Jersey .....	141
29.	Indiana .....	139
30.	Montana .....	139
31.	Arkansas .....	137
32.	Ohio .....	136
33.	Connecticut .....	128
34.	Mississippi .....	126
35.	Rhode Island .....	126
36.	Missouri .....	119
37.	Massachusetts .....	115
38.	Virginia .....	113
39.	Illinois .....	110
40.	Maine .....	108
41.	Colorado .....	105
42.	Idaho .....	103
43.	North Dakota .....	101
44.	Wisconsin .....	97
45.	Kansas .....	95
46.	Vermont .....	86
47.	Iowa .....	47
48.	South Dakota .....	32
49.	New Hampshire .....	23
50.	Nebraska .....	15

Ref. 2, p. 21 and 29.

29—Estimated Revenue from State Sources per Pupil Enrolled in Public Schools, 1960-61

1.	Delaware .....	\$389
2.	Alaska .....	302
3.	Hawaii .....	280
4.	Washington .....	268
5.	Louisiana .....	266
6.	New York .....	258
7.	New Mexico .....	238
8.	Pennsylvania .....	211
9.	Nevada .....	208
10.	Wyoming .....	201
11.	Michigan .....	200
12.	North Carolina .....	192
13.	California .....	189
14.	Minnesota .....	179
15.	Utah .....	177
16.	Florida .....	176
17.	South Carolina .....	174
18.	Georgia .....	166
50 states .....		160
19.	Texas .....	156
20.	Kentucky .....	154
21.	Arizona .....	153
22.	Maryland .....	152
23.	Alabama .....	147
24.	Oklahoma .....	143
25.	Oregon .....	141
26.	West Virginia .....	140
27.	Montana .....	134
28.	Tennessee .....	132
29.	New Jersey .....	129
30.	Indiana .....	125
31.	Ohio .....	123
32.	Arkansas .....	121
33.	Connecticut .....	118
34.	Rhode Island .....	115
35.	Mississippi .....	109
36.	Missouri .....	102
37.	Colorado .....	100
38.	Massachusetts .....	100
39.	Virginia .....	100
40.	Illinois .....	98
41.	Maine .....	98
42.	North Dakota .....	93
43.	Idaho .....	92
44.	Wisconsin .....	88
45.	Kansas .....	83
46.	Vermont .....	80
47.	Iowa .....	42
48.	South Dakota .....	29
49.	New Hampshire .....	21
50.	Nebraska .....	14

Ref. 2, p. 21 and 29.

30—Per-Capita Total State General Revenue, 1959

1.	Wyoming .....	\$295.02
2.	New Mexico .....	261.99
3.	Hawaii .....	251.45
4.	Louisiana .....	241.51
5.	Nevada .....	239.10
6.	Alaska .....	223.21
7.	Delaware .....	219.10
8.	Washington .....	214.14
9.	North Dakota .....	211.34
10.	Oklahoma .....	202.83
11.	California .....	188.00
12.	Colorado .....	184.87
13.	Montana .....	182.41
14.	Arizona .....	176.73
15.	Oregon .....	171.94
16.	Vermont .....	171.06
17.	Utah .....	169.05
18.	South Dakota .....	160.26
19.	Idaho .....	160.05
20.	Kansas .....	154.61
21.	Minnesota .....	154.10
22.	Iowa .....	151.37
23.	Michigan .....	148.14
24.	Maine .....	144.05
25.	Massachusetts .....	141.28
26.	Maryland .....	141.01
27.	Arkansas .....	140.94
28.	Mississippi .....	140.32
49-state average .....		139.29
29.	Wisconsin .....	136.19
30.	Florida .....	134.35
31.	Georgia .....	133.72
32.	Rhode Island .....	132.37
33.	Connecticut .....	132.12
34.	New York .....	130.21
35.	New Hampshire .....	129.52
36.	Alabama .....	129.15
37.	North Carolina .....	128.89
38.	West Virginia .....	127.82
39.	Texas .....	125.35
40.	South Carolina .....	124.84
41.	Tennessee .....	122.36
42.	Indiana .....	120.82
43.	Missouri .....	119.14
44.	Ohio .....	115.67
45.	Kentucky .....	114.40
46.	Pennsylvania .....	113.52
47.	Nebraska .....	110.62
48.	Virginia .....	104.60
49.	Illinois .....	103.98
50.	New Jersey .....	90.03

Ref. 6, p. 49-50.

## 31—Per-Capita State Tax Collections, 1960

---

1.	Hawaii .....	\$200.26
2.	Washington .....	162.82
3.	Delaware .....	159.80
4.	Nevada .....	154.10
5.	Louisiana .....	139.99
6.	California .....	136.99
7.	New Mexico .....	130.52
8.	Arizona .....	127.41
9.	Wyoming .....	126.58
10.	Alaska .....	120.98
11.	Oklahoma .....	119.55
12.	Oregon .....	118.39
13.	New York .....	117.74
14.	Michigan .....	117.50
15.	Utah .....	116.65
16.	Vermont .....	112.10
17.	Maryland .....	111.74
18.	Colorado .....	110.43
19.	Wisconsin .....	108.45
20.	Florida .....	106.77
21.	Idaho .....	104.09
22.	Minnesota .....	103.77
23.	Rhode Island .....	102.27

---

50 states ..... 101.72

---

24.	North Carolina .....	101.37
25.	South Carolina .....	99.60
26.	West Virginia .....	97.36
27.	Iowa .....	96.91
28.	Montana .....	96.88
29.	North Dakota .....	96.87
30.	Massachusetts .....	96.01
31.	Kansas .....	94.88
32.	Connecticut .....	94.61
33.	Georgia .....	94.37
34.	Pennsylvania .....	91.60
35.	Ohio .....	90.46
36.	Maine .....	90.37
37.	Mississippi .....	89.74
38.	Arkansas .....	89.26
39.	Indiana .....	86.20
40.	Tennessee .....	86.13
41.	Alabama .....	84.49
42.	Illinois .....	83.59
43.	Texas .....	81.98
44.	South Dakota .....	78.06
45.	Kentucky .....	75.77
46.	Virginia .....	74.72
47.	Missouri .....	72.89
48.	New Hampshire .....	69.50
49.	Nebraska .....	64.97
50.	New Jersey .....	60.47

---

Ref. 16, p. 4.

## 32—State Tax Collections per \$100 of Personal Income, 1959

---

1.	Hawaii .....	\$8.64
2.	Louisiana .....	8.37
3.	Mississippi .....	7.24
4.	New Mexico .....	6.75
5.	Washington .....	6.57
6.	Arkansas .....	6.30
7.	Oklahoma .....	6.19
8.	South Carolina .....	6.18
9.	North Dakota .....	6.03
10.	North Carolina .....	5.87
11.	Vermont .....	5.60
12.	Georgia .....	5.55
13.	Arizona .....	5.41
14.	Alabama .....	5.35
15.	Wyoming .....	5.31
16.	West Virginia .....	5.29
17.	Tennessee .....	5.24
18.	Delaware .....	5.16
19.	Nevada .....	5.15
20.	Utah .....	5.12
21.	Florida .....	5.09
22.	South Dakota .....	4.94
23.	Colorado .....	4.89
24.	Idaho .....	4.85
25.	Maine .....	4.74
26.	Minnesota .....	4.71
27.	Kansas .....	4.70
28.	Kentucky .....	4.69
29.	Iowa .....	4.65
30.	Wisconsin .....	4.63
31.	Michigan .....	4.61
32.	Oregon .....	4.59
33.	Montana .....	4.58
34.	California .....	4.44
35.	Maryland .....	4.38
36.	Alaska .....	4.32
37.	Rhode Island .....	4.31

---

50 states ..... 4.20

---

38.	Indiana .....	3.91
39.	Texas .....	3.90
40.	Massachusetts .....	3.88
41.	Virginia .....	3.83
42.	Pennsylvania .....	3.65
43.	New York .....	3.52
44.	Ohio .....	3.27
45.	Connecticut .....	3.17
46.	New Hampshire .....	3.16
47.	Missouri .....	3.13
48.	Nebraska .....	3.05
49.	Illinois .....	2.89
50.	New Jersey .....	2.18

---

Ref. 1, p. 17; ref. 12, p. 11.

## 33—Per-Capita Total General Revenue of State and Local Governments, 1959

1.	Wyoming .....	\$438.24
2.	Nevada .....	393.93
3.	California .....	364.03
4.	New Mexico .....	346.76
5.	Colorado .....	333.53
6.	Montana .....	327.95
7.	New York .....	324.68
8.	Alaska .....	324.08
9.	Washington .....	318.96
10.	North Dakota .....	316.36
11.	Louisiana .....	310.01
12.	Oregon .....	302.30
13.	Kansas .....	297.71
14.	Massachusetts .....	292.00
15.	Minnesota .....	287.94
16.	Arizona .....	287.27
17.	Oklahoma .....	282.64
18.	Vermont .....	282.53
19.	South Dakota .....	280.93
20.	Idaho .....	270.18
21.	Utah .....	269.43
22.	Delaware .....	268.50
23.	Iowa .....	264.76
24.	Connecticut .....	263.64
25.	Michigan .....	262.98
49 states and D. C. ....		256.88
26.	Wisconsin .....	254.01
27.	New Jersey .....	248.77
28.	Florida .....	245.70
29.	New Hampshire .....	241.89
30.	Maryland .....	241.60
31.	Maine .....	236.78
32.	Rhode Island .....	232.00
33.	Nebraska .....	230.36
34.	Ohio .....	229.68
35.	Texas .....	226.81
36.	Illinois .....	226.07
37.	Indiana .....	225.05
38.	Missouri .....	216.31
39.	Pennsylvania .....	208.40
40.	Georgia .....	207.50
41.	Mississippi .....	196.02
42.	Arkansas .....	195.24
43.	Alabama .....	189.16
44.	Tennessee .....	187.52
45.	West Virginia .....	182.54
46.	North Carolina .....	180.44
47.	Virginia .....	179.81
48.	Kentucky .....	174.69
49.	South Carolina .....	169.09

Ref. 12, p. 26.

## 34—Per-Capita General Revenue of State and Local Governments from Own Sources, 1959

1.	California .....	\$315.13
2.	Nevada .....	306.79
3.	New York .....	297.82
4.	Wyoming .....	296.55
5.	Colorado .....	276.93
6.	Washington .....	266.49
7.	Massachusetts .....	261.66
8.	Montana .....	256.33
9.	New Mexico .....	251.99
10.	Oregon .....	251.59
11.	Kansas .....	251.26
12.	North Dakota .....	251.25
13.	Louisiana .....	248.83
14.	Minnesota .....	248.37
15.	Connecticut .....	238.88
16.	Delaware .....	235.90
17.	Michigan .....	235.80
18.	Vermont .....	234.68
19.	Arizona .....	234.23
20.	New Jersey .....	232.73
21.	Wisconsin .....	227.63
22.	South Dakota .....	226.35
23.	Iowa .....	224.64
49 states and D. C. ....		220.73
24.	Alaska .....	219.37
25.	Florida .....	217.50
26.	Maryland .....	214.12
27.	Idaho .....	211.75
28.	Utah .....	211.48
29.	Oklahoma .....	211.38
30.	Indiana .....	203.13
31.	Illinois .....	199.41
32.	Ohio .....	198.52
33.	New Hampshire .....	197.64
34.	Rhode Island .....	196.91
35.	Nebraska .....	195.74
36.	Maine .....	193.89
37.	Texas .....	188.86
38.	Pennsylvania .....	183.39
39.	Missouri .....	169.41
40.	Georgia .....	167.90
41.	Virginia .....	155.49
42.	Tennessee .....	150.39
43.	North Carolina .....	149.67
44.	Mississippi .....	148.97
45.	Arkansas .....	148.11
46.	Alabama .....	146.79
47.	West Virginia .....	144.63
48.	South Carolina .....	135.79
49.	Kentucky .....	135.01

Ref. 12, p. 26.

## 35—Per-Capita Total Tax Collections of State and Local Governments, 1959

1.	California .....	\$264.53
2.	New York .....	252.76
3.	Nevada .....	244.64
4.	Massachusetts .....	232.82
5.	Wyoming .....	223.82
6.	Colorado .....	221.88
7.	Washington .....	214.24
8.	Kansas .....	211.50
9.	Vermont .....	211.02
10.	Montana .....	209.02
<hr/>		
11.	Oregon .....	204.47
12.	Minnesota .....	202.12
13.	Connecticut .....	201.74
14.	New Jersey .....	199.60
15.	Michigan .....	196.76
16.	Wisconsin .....	196.38
17.	Iowa .....	188.32
18.	Delaware .....	186.78
19.	Arizona .....	186.21
20.	Maryland .....	184.63
<hr/>		
	49 states and D. C. ....	183.59
<hr/>		
21.	Louisiana .....	183.51
22.	South Dakota .....	182.39
23.	North Dakota .....	181.78
24.	Rhode Island .....	178.51
25.	Alaska .....	176.96
26.	Florida .....	175.99
27.	Illinois .....	175.98
28.	New Mexico .....	173.83
29.	Utah .....	173.52
30.	Idaho .....	172.44
<hr/>		
31.	Maine .....	171.02
32.	Indiana .....	168.63
33.	Oklahoma .....	168.63
34.	New Hampshire .....	167.91
35.	Ohio .....	160.58
36.	Pennsylvania .....	158.27
37.	Nebraska .....	157.49
38.	Texas .....	147.18
39.	Missouri .....	143.91
40.	Georgia .....	133.35
<hr/>		
41.	Tennessee .....	125.05
42.	Virginia .....	123.22
43.	Mississippi .....	122.29
44.	Arkansas .....	122.08
45.	North Carolina .....	121.90
46.	West Virginia .....	121.63
47.	Alabama .....	111.31
48.	Kentucky .....	110.40
49.	South Carolina .....	109.06

Ref. 12, p. 26.

## 36—State and Local Tax Collections per \$100 of Personal Income, 1959

1.	South Dakota .....	\$12.28
2.	North Dakota .....	12.01
3.	Vermont .....	11.31
4.	Louisiana .....	11.24
5.	Montana .....	10.90
6.	Kansas .....	10.68
7.	Mississippi .....	10.57
8.	Minnesota .....	10.32
9.	Wyoming .....	10.10
10.	Colorado .....	9.99
<hr/>		
11.	Iowa .....	9.80
12.	Idaho .....	9.65
13.	Arizona .....	9.62
14.	Wisconsin .....	9.54
15.	Washington .....	9.51
16.	California .....	9.50
17.	Maine .....	9.48
18.	Oregon .....	9.40
19.	Utah .....	9.39
20.	Massachusetts .....	9.31
<hr/>		
21.	Oklahoma .....	9.28
22.	New York .....	9.24
23.	Nevada .....	9.11
24.	New Mexico .....	9.09
25.	Florida .....	9.04
26.	Arkansas .....	8.98
27.	Michigan .....	8.95
28.	Rhode Island .....	8.50
<hr/>		
	49 states and D. C. ....	8.49
<hr/>		
29.	Georgia .....	8.42
30.	South Carolina .....	8.37
<hr/>		
31.	New Hampshire .....	8.28
32.	Nebraska .....	8.20
33.	Tennessee .....	8.17
34.	North Carolina .....	8.16
35.	Indiana .....	8.05
36.	Maryland .....	7.87
37.	West Virginia .....	7.83
38.	Texas .....	7.76
39.	Alabama .....	7.71
40.	New Jersey .....	7.67
<hr/>		
41.	Kentucky .....	7.59
42.	Pennsylvania .....	7.25
43.	Ohio .....	7.09
44.	Connecticut .....	7.06
45.	Illinois .....	6.98
46.	Virginia .....	6.97
47.	Missouri .....	6.60
48.	Delaware .....	6.45
49.	Alaska .....	6.08

Ref. 12, p. 26, and ref. 1, p. 17.

37—Percent Increase in Total State Tax Collections, 1959 to 1960

1. Arizona .....	27.0%
2. Utah .....	24.2
3. New York .....	23.6
4. Ohio .....	21.3
5. South Carolina .....	20.8
6. Idaho .....	19.8
7. Oregon .....	17.9
8. California .....	17.2
9. North Carolina .....	15.5
10. Pennsylvania .....	14.2
<hr/>	
United States .....	13.7
<hr/>	
11. Michigan .....	13.3
12. Texas .....	13.1
13. Alaska .....	12.7
14. Illinois .....	12.6
15. Nevada .....	12.3
16. Minnesota .....	12.2
17. Vermont .....	11.7
18. Wisconsin .....	11.6
19. Hawaii .....	11.4
20. West Virginia .....	11.3
<hr/>	
21. Alabama .....	10.7
22. Florida .....	10.6
23. Wyoming .....	10.4
24. Maryland .....	10.2
25. Washington .....	10.2
26. New Hampshire .....	10.1
27. Georgia .....	9.4
28. Connecticut .....	8.9
29. Rhode Island .....	8.8
30. New Jersey .....	8.6
<hr/>	
31. New Mexico .....	8.6
32. Tennessee .....	8.4
33. Missouri .....	8.1
34. Virginia .....	7.9
35. Montana .....	7.4
36. Oklahoma .....	7.4
37. Kentucky .....	7.2
38. Maine .....	7.1
39. Nebraska .....	7.1
40. Mississippi .....	6.1
<hr/>	
41. Iowa .....	5.9
42. Arkansas .....	5.8
43. Colorado .....	5.4
44. Indiana .....	5.1
45. Louisiana .....	4.7
46. South Dakota .....	4.7
47. Delaware .....	4.3
48. Kansas .....	3.8
49. North Dakota .....	3.6
50. Massachusetts .....	2.4

Ref. 16, p. 4.

38—Per-Capita Property Tax Revenue of State and Local Governments, 1959

1. Massachusetts .....	\$133.33
2. California .....	130.17
3. New Jersey .....	129.63
4. New York .....	124.28
5. Montana .....	123.00
6. Wyoming .....	122.82
7. Kansas .....	118.69
8. Minnesota .....	112.09
9. Colorado .....	111.95
10. Connecticut .....	110.06
<hr/>	
11. Nebraska .....	108.31
12. New Hampshire .....	106.08
13. Wisconsin .....	105.74
14. Vermont .....	102.69
15. South Dakota .....	101.31
16. Oregon .....	99.83
17. Michigan .....	99.51
18. Iowa .....	98.11
19. Arizona .....	93.03
20. North Dakota .....	92.21
<hr/>	
21. Nevada .....	90.71
22. Indiana .....	89.11
23. Illinois .....	88.14
24. Idaho .....	86.75
25. Maine .....	86.09
26. Rhode Island .....	85.83
<hr/>	
49 states and D. C. ....	84.95
<hr/>	
27. Ohio .....	82.62
28. Maryland .....	76.91
29. Utah .....	75.80
30. Texas .....	71.31
<hr/>	
31. Missouri .....	64.79
32. Florida .....	64.78
33. Washington .....	63.48
34. Pennsylvania .....	58.32
35. Oklahoma .....	52.94
36. Virginia .....	47.02
37. New Mexico .....	41.41
38. Louisiana .....	40.93
39. Georgia .....	40.15
40. Kentucky .....	40.00
<hr/>	
41. Tennessee .....	38.90
42. Delaware .....	38.33
43. Alaska .....	37.70
44. North Carolina .....	34.64
45. West Virginia .....	34.20
46. Mississippi .....	33.59
47. Arkansas .....	33.37
48. South Carolina .....	26.23
49. Alabama .....	22.77

Ref. 12, p. 26.

39—State and Local Property Tax Collections per  
\$100 of Personal Income, 1959

1.	South Dakota .....	\$6.82
2.	Montana .....	6.41
3.	North Dakota .....	6.09
4.	Kansas .....	5.99
5.	Minnesota .....	5.72
6.	Nebraska .....	5.64
7.	Wyoming .....	5.53
8.	Vermont .....	5.50
9.	Massachusetts .....	5.33
10.	New Hampshire .....	5.23
11.	Wisconsin .....	5.13
12.	Iowa .....	5.11
13.	Colorado .....	5.04
14.	New Jersey .....	4.98
15.	Idaho .....	4.85
16.	Arizona .....	4.80
17.	Maine .....	4.77
18.	California .....	4.67
19.	Oregon .....	4.59
20.	New York .....	4.55
21.	Michigan .....	4.50
22.	Indiana .....	4.26
23.	Utah .....	4.10
24.	Rhode Island .....	4.09
49 states and D. C. ....		3.93
25.	Connecticut .....	3.85
26.	Texas .....	3.76
27.	Ohio .....	3.65
28.	Illinois .....	3.50
29.	Nevada .....	3.38
30.	Florida .....	3.33
31.	Maryland .....	3.28
32.	Missouri .....	2.97
33.	Oklahoma .....	2.91
34.	Mississippi .....	2.90
35.	Washington .....	2.82
36.	Kentucky .....	2.75
37.	Pennsylvania .....	2.67
38.	Virginia .....	2.66
39.	Tennessee .....	2.54
40.	Georgia .....	2.53
41.	Louisiana .....	2.51
42.	Arkansas .....	2.46
43.	North Carolina .....	2.32
44.	West Virginia .....	2.20
45.	New Mexico .....	2.17
46.	South Carolina .....	2.01
47.	Alabama .....	1.58
48.	Delaware .....	1.32
49.	Alaska .....	1.29

Ref. 12, p. 25, 37.

40—Estimated Percent of Revenue for Public  
Elementary and Secondary Schools Received  
from the Federal Government, 1960-61

1.	Alaska .....	17.17
2.	New Mexico .....	13.5
3.	Hawaii .....	12.6
4.	Georgia .....	10.0
5.	Mississippi .....	9.6
6.	Virginia .....	9.3
7.	Alabama .....	8.1
8.	Nevada .....	8.1
9.	Arkansas .....	7.5
10.	Oklahoma .....	6.7
11.	Arizona .....	6.5
12.	Idaho .....	6.3
13.	South Carolina .....	6.3
14.	Washington .....	5.9
15.	Wyoming .....	5.9
16.	South Dakota .....	5.6
17.	Colorado .....	5.2
18.	Kansas .....	5.2
19.	Utah .....	5.1
20.	Maryland .....	5.0
21.	Missouri .....	4.6
22.	Nebraska .....	4.6
23.	New Hampshire .....	4.6
24.	North Carolina .....	4.6
25.	Oregon .....	4.5
26.	Texas .....	4.5
27.	Kentucky .....	4.4
28.	West Virginia .....	4.2
29.	Rhode Island .....	4.1
30.	Tennessee .....	3.8
31.	Maine .....	3.7
32.	Montana .....	3.6
50 states and D. C. ....		3.6
33.	California .....	3.3
34.	Connecticut .....	3.3
35.	Indiana .....	3.3
36.	Iowa .....	3.0
37.	Wisconsin .....	3.0
38.	Ohio .....	2.8
39.	Illinois .....	2.7
40.	Michigan .....	2.7
41.	Minnesota .....	2.6
42.	Louisiana .....	2.3
43.	North Dakota .....	2.2
44.	Massachusetts .....	2.1
45.	Delaware .....	2.0
46.	Pennsylvania .....	1.8
47.	Florida .....	1.6
48.	New Jersey .....	1.4
49.	New York .....	1.2
50.	Vermont .....	0.9

Ref. 2, p. 29.



41—Per-Capita Federal Individual Income and Employment Taxes, 1960

1. Delaware .....	\$667
2. New York .....	532
3. Colorado .....	487
4. Illinois .....	411
5. Connecticut .....	395
6. Maryland and D. C. ....	381
7. California .....	366
8. Michigan .....	352
9. Ohio .....	340
10. Nevada .....	335
11. Massachusetts .....	333
12. Pennsylvania .....	331
13. Missouri .....	302
14. New Jersey .....	287
15. Rhode Island .....	285
16. Washington and Alaska .....	272
17. Minnesota .....	262
18. Nebraska .....	259
19. Indiana .....	255
20. Oregon .....	247
21. Hawaii .....	239
22. Wisconsin .....	238
23. New Hampshire .....	221
24. Oklahoma .....	211
25. Texas .....	208
26. Kansas .....	205
27. Wyoming .....	202
28. Utah .....	199
29. Florida .....	190
30. Arizona .....	189
31. Iowa .....	187
32. New Mexico .....	186
33. Idaho .....	181
34. Montana .....	173
35. Virginia .....	173
36. Vermont .....	171
37. Georgia .....	164
38. Maine .....	162
39. Louisiana .....	154
40. Tennessee .....	145
41. North Carolina .....	140
42. South Dakota .....	139
43. North Dakota .....	134
44. Kentucky .....	133
45. Alabama .....	130
46. West Virginia .....	123
47. South Carolina .....	99
48. Arkansas .....	96
49. Mississippi .....	75
Puerto Rico .....	10

Ref. 26, Table 1; ref. 15.

42—Estimated Current Expenditure for Schools, per Pupil in ADA, 1960-61

1. Alaska .....	\$585.00
2. New York .....	585.00
3. New Jersey .....	512.00
4. California .....	494.42
5. Delaware .....	460.00
6. Illinois .....	457.00
7. Wyoming .....	454.00
8. Oregon .....	448.00
9. Nevada .....	435.00
10. Washington .....	430.00
11. Montana .....	427.00
12. Michigan .....	424.40
13. Wisconsin .....	421.64
14. Pennsylvania .....	421.06
15. Connecticut .....	420.00
16. Rhode Island .....	417.00
17. Maryland .....	415.00
18. Minnesota .....	415.00
19. Massachusetts .....	413.00
20. Colorado .....	406.78
21. Iowa .....	400.00
22. Arizona .....	390.00
50 states and D. C. ....	390.00
23. Ohio .....	388.00
24. Kansas .....	384.00
25. Hawaii .....	378.00
26. Indiana .....	372.00
27. Louisiana .....	370.00
28. New Mexico .....	365.00
29. New Hampshire .....	363.00
30. Missouri .....	355.00
31. South Dakota .....	350.00
32. North Dakota .....	345.00
33. Utah .....	340.00
34. Vermont .....	339.00
35. Texas .....	330.00
36. Maine .....	326.00
37. Nebraska .....	320.00
38. Oklahoma .....	320.00
39. Florida .....	310.00
40. Idaho .....	285.00
41. Kentucky .....	275.00
42. Virginia .....	275.00
43. West Virginia .....	255.00
44. Arkansas .....	242.48
45. North Carolina .....	240.00
46. Georgia .....	236.00
47. Tennessee .....	228.00
48. Mississippi .....	225.86
49. South Carolina .....	223.00
50. Alabama .....	217.00
Canal Zone .....	398.00
Guam .....	240.40
Puerto Rico .....	140.00
Virgin Islands .....	300.00

Ref. 2, p. 31 and 32.

## 43—Percent of Increase in Estimated Current Expenditure per Pupil in ADA, 1950-51 to 1960-61

1.	Mississippi .....	142.97
2.	Arkansas .....	107.2
3.	Kentucky .....	103.7
4.	Maine .....	96.4
5.	Ohio .....	92.1
6.	Hawaii .....	88.1
7.	Maryland .....	86.9
8.	Missouri .....	86.8
9.	Utah .....	85.8
10.	California .....	78.5
11.	New York .....	78.4
12.	Georgia .....	77.4
13.	Alaska .....	76.7
14.	Virginia .....	75.2
15.	Colorado .....	74.6
16.	Alabama .....	72.2
17.	Michigan .....	71.8
18.	Pennsylvania .....	71.2
19.	New Jersey .....	70.1
20.	South Carolina .....	68.9
21.	Kansas .....	68.4
22.	Nevada .....	67.3
23.	Wisconsin .....	67.3
24.	Washington .....	66.7
25.	Minnesota .....	65.3
26.	Tennessee .....	65.2
27.	Massachusetts .....	64.5
28.	Illinois .....	62.6
29.	Louisiana .....	62.3
30.	Wyoming .....	61.6
31.	West Virginia .....	61.4
32.	Iowa .....	61.3
33.	Rhode Island .....	59.8
34.	Oregon .....	58.9
35.	Delaware .....	58.6
36.	Connecticut .....	58.5
37.	Florida .....	58.2
38.	North Carolina .....	54.8
39.	Montana .....	54.7
40.	Arizona .....	53.5
41.	Texas .....	53.5
42.	New Mexico .....	53.4
43.	New Hampshire .....	53.2
44.	Vermont .....	52.0
45.	Oklahoma .....	51.7
46.	Indiana .....	50.6
47.	North Dakota .....	46.8
48.	South Dakota .....	46.4
49.	Idaho .....	36.4
50.	Nebraska .....	36.2
	Canal Zone .....	119.9
	Guam .....	120.6
	Puerto Rico .....	86.7
	Virgin Islands .....	141.9

Ref. 2, p. 31 and 32; ref. 25, p. 8.

## 44—Per-Capita Expenditure of State and Local Governments for Local Schools, 1959

1.	Delaware .....	\$125.55
2.	Alaska .....	119.37
3.	California .....	112.12
4.	Utah .....	105.34
5.	Arizona .....	104.38
6.	Colorado .....	102.79
7.	Wyoming .....	101.25
8.	New Mexico .....	101.14
9.	Washington .....	97.20
10.	New York .....	95.82
11.	Nevada .....	92.86
12.	Oregon .....	92.75
13.	Minnesota .....	92.41
14.	Michigan .....	88.97
15.	Vermont .....	86.29
16.	New Jersey .....	83.81
17.	Montana .....	81.80
18.	Connecticut .....	81.41
19.	Louisiana .....	81.33
20.	Kansas .....	80.51
21.	Indiana .....	80.49
22.	Pennsylvania .....	80.16
	49 states and D. C. ....	79.58
23.	Illinois .....	77.23
24.	Maryland .....	77.10
25.	Iowa .....	76.54
26.	Idaho .....	76.20
27.	Oklahoma .....	75.53
28.	Ohio .....	73.96
29.	Texas .....	73.51
30.	Florida .....	73.01
31.	North Dakota .....	72.12
32.	Nebraska .....	70.12
33.	South Dakota .....	70.01
34.	Wisconsin .....	69.23
35.	Maine .....	66.49
36.	Virginia .....	63.90
37.	Massachusetts .....	63.83
38.	Missouri .....	63.75
39.	Georgia .....	61.41
40.	North Carolina .....	61.30
41.	New Hampshire .....	59.29
42.	Mississippi .....	58.54
43.	Tennessee .....	58.18
44.	Rhode Island .....	57.71
45.	West Virginia .....	55.67
46.	South Carolina .....	54.16
47.	Alabama .....	53.71
48.	Arkansas .....	50.69
49.	Kentucky .....	48.32

Ref. 12, p. 33.

## 45—Per-Capita State Expenditures for All Public Education, 1959

1.	Delaware .....	\$137.07
2.	Alaska .....	114.68
3.	New Mexico .....	100.85
4.	Washington .....	82.62
5.	California .....	74.98
6.	Hawaii .....	70.91
7.	Utah .....	68.50
8.	Wyoming .....	67.50
9.	Louisiana .....	67.13
10.	Michigan .....	62.06
11.	Minnesota .....	58.20
12.	Oregon .....	57.75
13.	Mississippi .....	57.41
14.	Nevada .....	54.80
15.	North Carolina .....	53.09
16.	Oklahoma .....	52.51
17.	Arizona .....	50.88
18.	Georgia .....	50.36
19.	Florida .....	49.94
20.	Colorado .....	49.27
21.	West Virginia .....	49.00
22.	Montana .....	48.73
23.	Texas .....	47.65
24.	Indiana .....	46.67
25.	South Carolina .....	46.05
26.	New York .....	45.94
49-state average .....		45.86
27.	Vermont .....	45.13
28.	Alabama .....	44.93
29.	Kansas .....	43.87
30.	North Dakota .....	43.50
31.	Arkansas .....	41.51
32.	Pennsylvania .....	40.40
33.	Tennessee .....	38.37
34.	Connecticut .....	37.40
35.	Virginia .....	37.11
36.	Idaho .....	36.72
37.	Maryland .....	36.60
38.	Kentucky .....	35.04
39.	South Dakota .....	34.94
40.	Iowa .....	34.26
41.	Wisconsin .....	33.46
42.	Missouri .....	32.70
43.	Rhode Island .....	30.53
44.	Illinois .....	28.04
45.	Ohio .....	27.66
46.	Maine .....	27.20
47.	New Hampshire .....	26.58
48.	New Jersey .....	22.86
49.	Nebraska .....	22.17
50.	Massachusetts .....	20.06

Ref. 6, p. 51-52.

## 46—Per-Capita Expenditures of State and Local Governments for All Public Education, 1959

1.	Alaska .....	\$153.93
2.	Delaware .....	150.66
3.	California .....	150.51
4.	Utah .....	136.25
5.	Colorado .....	135.26
6.	New Mexico .....	132.54
7.	Arizona .....	131.71
8.	Wyoming .....	130.41
9.	Washington .....	125.79
10.	Minnesota .....	120.24
11.	Oregon .....	119.31
12.	Michigan .....	116.41
13.	Vermont .....	113.71
14.	Nevada .....	108.93
15.	Montana .....	108.73
16.	Kansas .....	107.24
17.	New York .....	106.77
18.	Indiana .....	105.58
19.	Louisiana .....	102.97
49 states and D. C. ....		99.75
20.	Connecticut .....	99.63
21.	Iowa .....	97.54
22.	Oklahoma .....	97.23
23.	North Dakota .....	97.20
24.	South Dakota .....	96.51
25.	Idaho .....	93.22
26.	Illinois .....	91.65
27.	New Jersey .....	91.26
28.	Maryland .....	90.70
29.	Texas .....	90.57
30.	Nebraska .....	90.45
31.	Wisconsin .....	89.55
32.	Pennsylvania .....	89.30
33.	Ohio .....	87.99
34.	Florida .....	87.04
35.	New Hampshire .....	81.08
36.	Virginia .....	80.96
37.	Mississippi .....	80.64
38.	Maine .....	80.61
39.	Missouri .....	76.83
40.	Rhode Island .....	76.69
41.	North Carolina .....	76.42
42.	Georgia .....	76.00
43.	West Virginia .....	73.69
44.	Massachusetts .....	71.46
45.	Tennessee .....	69.67
46.	Arkansas .....	67.78
47.	Alabama .....	67.55
48.	South Carolina .....	66.45
49.	Kentucky .....	64.77

Ref. 12, p. 30.

## 47—Per-Capita Total State Expenditures for All Purposes, 1959

1.	Wyoming .....	\$329.11
2.	Delaware .....	304.05
3.	Nevada .....	280.30
4.	Washington .....	277.46
5.	Alaska .....	262.42
6.	Louisiana .....	253.22
7.	Hawaii .....	252.96
8.	New Mexico .....	244.76
9.	Oregon .....	242.88
10.	Vermont .....	236.48
11.	California .....	233.85
12.	Montana .....	231.25
13.	North Dakota .....	220.99
14.	Michigan .....	215.84
15.	Oklahoma .....	207.12
16.	Connecticut .....	207.10
17.	Utah .....	202.29
18.	New Hampshire .....	200.03
19.	New York .....	198.04
20.	Colorado .....	195.79
21.	Idaho .....	190.67
22.	Minnesota .....	189.47
23.	Maine .....	189.19
24.	Rhode Island .....	187.13
25.	Arizona .....	184.97
26.	Pennsylvania .....	183.50
27.	Massachusetts .....	182.62
49-state average .....		177.32

28.	West Virginia .....	177.02
29.	Ohio .....	175.39
30.	Iowa .....	173.12
31.	Kansas .....	167.67
32.	Maryland .....	165.83
33.	South Dakota .....	159.69
34.	Mississippi .....	157.36
35.	Wisconsin .....	156.15
36.	Alabama .....	153.14
37.	Florida .....	148.53
38.	Georgia .....	147.68
39.	Arkansas .....	146.62
40.	Illinois .....	146.09
41.	Virginia .....	144.12
42.	Kentucky .....	139.48
43.	Indiana .....	137.29
44.	Tennessee .....	136.89
45.	North Carolina .....	135.51
46.	South Carolina .....	135.46
47.	Missouri .....	134.83
48.	Texas .....	133.86
49.	New Jersey .....	124.42
50.	Nebraska .....	115.82

Ref. 6, p. 53-54.

## 48—State and Local Expenditures for All Public Education as Percent of Expenditures for All Purposes, 1959

1.	Delaware .....	40.47
2.	Utah .....	39.3
3.	Indiana .....	38.4
4.	New Mexico .....	38.2
5.	Arizona .....	37.5
6.	Alaska .....	35.3
7.	Mississippi .....	35.0
8.	Colorado .....	34.9
9.	North Carolina .....	34.5
10.	South Carolina .....	34.2
11.	Virginia .....	34.0
12.	Texas .....	33.4
13.	Kansas .....	32.6
14.	South Dakota .....	32.3
15.	California .....	32.1
16.	Michigan .....	32.0
17.	Minnesota .....	32.0
18.	Iowa .....	31.4
19.	Oklahoma .....	31.3
20.	West Virginia .....	31.3
21.	Kentucky .....	31.1
22.	Georgia .....	30.9
23.	Arkansas .....	30.8
24.	Vermont .....	30.8
25.	New Jersey .....	30.4
26.	Maryland .....	30.1
27.	Oregon .....	30.1
28.	Wisconsin .....	30.1
29.	Idaho .....	29.9
30.	Missouri .....	29.5

49 states and D. C. .... 29.5

31.	Pennsylvania .....	29.1
32.	Montana .....	29.0
33.	Louisiana .....	28.9
34.	Florida .....	28.7
35.	Illinois .....	28.2
36.	Alabama .....	27.9
37.	North Dakota .....	27.8
38.	Connecticut .....	27.5
39.	Nebraska .....	27.3
40.	Wyoming .....	27.3
41.	Maine .....	27.0
42.	Ohio .....	26.7
43.	Rhode Island .....	26.0
44.	Washington .....	26.0
45.	Tennessee .....	25.1
46.	New Hampshire .....	24.9
47.	New York .....	24.2
48.	Nevada .....	22.5
49.	Massachusetts .....	20.3

Ref. 12, p. 27 and 28.

## 49—Per-Capita Personal Income, 1959

1. Delaware .....	\$2,946
2. Connecticut .....	2,817
3. Nevada .....	2,745
4. New York .....	2,736
5. California .....	2,661
6. Illinois .....	2,610
7. New Jersey .....	2,608
8. Alaska .....	2,550
9. Massachusetts .....	2,444
10. Maryland .....	2,343
11. Ohio .....	2,328
12. Washington .....	2,271
13. Michigan .....	2,253
14. Pennsylvania .....	2,222
15. Oregon .....	2,171
48 States and D. C. ....	2,166
16. Rhode Island .....	2,156
17. Wyoming .....	2,149
18. Missouri .....	2,145
19. Hawaii .....	2,139
20. Colorado .....	2,123
21. Wisconsin .....	2,116
22. Indiana .....	2,102
23. New Hampshire .....	2,010
24. Kansas .....	1,994
25. Nebraska .....	1,981
26. Florida .....	1,980
27. Minnesota .....	1,962
28. Arizona .....	1,959
29. Montana .....	1,955
30. Iowa .....	1,953
31. Texas .....	1,908
32. Utah .....	1,848
33. New Mexico .....	1,833
34. Virginia .....	1,816
35. Vermont .....	1,789
36. Oklahoma .....	1,786
37. Idaho .....	1,782
38. Maine .....	1,768
39. West Virginia .....	1,635
40. Louisiana .....	1,575
41. Georgia .....	1,553
42. North Dakota .....	1,526
43. Tennessee .....	1,521
44. Kentucky .....	1,514
45. North Carolina .....	1,485
46. South Dakota .....	1,476
47. Alabama .....	1,409
48. South Carolina .....	1,332
49. Arkansas .....	1,322
50. Mississippi .....	1,162

Ref. 1, p. 17.

## 50—Percent of Increase in Per-Capita Personal Income, 1949 to 1959

1. Mississippi .....	74.27
2. Alabama .....	74.0
3. Arkansas .....	69.5
4. Georgia .....	66.6
5. Connecticut .....	65.8
6. Virginia .....	64.9
7. New Mexico .....	64.7
8. Florida .....	64.6
9. Kentucky .....	64.4
10. Tennessee .....	64.4
11. Massachusetts .....	64.0
12. New Hampshire .....	61.6
13. North Carolina .....	61.6
14. Maryland .....	61.3
15. New Jersey .....	60.8
16. Kansas .....	60.2
17. Missouri .....	59.6
18. Vermont .....	59.4
19. South Carolina .....	58.9
20. Ohio .....	58.2
21. Hawaii .....	58.0
22. Arizona .....	57.3
48 states and D. C. ....	56.7
23. Pennsylvania .....	56.3
24. Nevada .....	56.1
25. New York .....	55.8
26. Wisconsin .....	55.5
27. Delaware .....	55.4
28. Oklahoma .....	54.6
29. Illinois .....	54.4
30. California .....	54.3
31. Indiana .....	54.1
32. West Virginia .....	54.0
33. Colorado .....	53.3
34. Nebraska .....	51.8
35. Minnesota .....	51.2
36. Utah .....	51.0
37. Maine .....	50.5
38. Michigan .....	49.8
39. Louisiana .....	48.7
40. Texas .....	48.7
41. Iowa .....	48.0
42. Rhode Island .....	47.3
43. Idaho .....	43.8
44. Washington .....	43.1
45. Montana .....	40.6
46. Oregon .....	39.0
47. Wyoming .....	35.3
48. South Dakota .....	34.9
49. North Dakota .....	34.3

Ref. 1, p. 17; ref. 5, p. 143.

## 51—Per-Capita Disposable Income, 1959

1.	Delaware .....	\$2,516
2.	Connecticut .....	2,460
3.	New York .....	2,350
4.	Nevada .....	2,343
5.	California .....	2,334
6.	Illinois .....	2,291
7.	New Jersey .....	2,288
8.	Alaska .....	2,275
9.	Massachusetts .....	2,142
10.	Ohio .....	2,063
11.	Maryland .....	2,036
12.	Michigan .....	2,006
13.	Washington .....	1,985
14.	Pennsylvania .....	1,957
15.	Hawaii .....	1,935
48 states and D. C. ....		1,907
16.	Missouri .....	1,903
17.	Rhode Island .....	1,903
18.	Wyoming .....	1,894
19.	Indiana .....	1,875
20.	Wisconsin .....	1,858
21.	Colorado .....	1,856
22.	Oregon .....	1,850
23.	New Hampshire .....	1,774
24.	Florida .....	1,766
25.	Kansas .....	1,759
26.	Nebraska .....	1,759
27.	Montana .....	1,742
28.	Arizona .....	1,720
29.	Iowa .....	1,717
30.	Minnesota .....	1,717
31.	Texas .....	1,696
32.	Utah .....	1,632
33.	New Mexico .....	1,623
34.	Maine .....	1,595
35.	Virginia .....	1,595
36.	Vermont .....	1,588
37.	Oklahoma .....	1,584
38.	Idaho .....	1,574
39.	West Virginia .....	1,478
40.	Louisiana .....	1,411
41.	Georgia .....	1,393
42.	Tennessee .....	1,365
43.	North Carolina .....	1,349
44.	Kentucky .....	1,341
45.	North Dakota .....	1,331
46.	South Dakota .....	1,285
47.	Alabama .....	1,256
48.	South Carolina .....	1,213
49.	Arkansas .....	1,204
50.	Mississippi .....	1,067

Ref. 1, p. 13.

52—Personal Income per Child of School Age  
(5-17), 1959

1.	Connecticut .....	\$12,762
2.	New York .....	12,480
3.	Delaware .....	11,835
4.	California .....	11,612
5.	New Jersey .....	11,609
6.	Massachusetts .....	11,442
7.	Illinois .....	11,102
8.	Nevada .....	10,743
9.	Alaska .....	10,296
10.	Pennsylvania .....	9,523
11.	Rhode Island .....	9,421
12.	Ohio .....	9,369
13.	Maryland .....	9,353
14.	Missouri .....	9,285
15.	Washington .....	9,000
50 states and D. C. ....		8,780
16.	New Hampshire .....	8,759
17.	Florida .....	8,683
18.	Oregon .....	8,538
19.	Michigan .....	8,508
20.	Colorado .....	8,417
21.	Wisconsin .....	8,367
22.	Indiana .....	8,301
23.	Wyoming .....	8,126
24.	Kansas .....	7,996
25.	Nebraska .....	7,857
26.	Iowa .....	7,823
27.	Hawaii .....	7,771
28.	Minnesota .....	7,726
29.	Arizona .....	7,486
30.	Vermont .....	7,462
31.	Oklahoma .....	7,429
32.	Maine .....	7,352
33.	Montana .....	7,282
34.	Texas .....	7,067
35.	Virginia .....	6,933
36.	New Mexico .....	6,671
37.	Idaho .....	6,558
38.	Utah .....	6,327
39.	Louisiana .....	5,861
40.	Tennessee .....	5,854
41.	West Virginia .....	5,793
42.	Georgia .....	5,688
43.	Kentucky .....	5,553
44.	South Dakota .....	5,543
45.	North Dakota .....	5,523
46.	North Carolina .....	5,404
47.	Alabama .....	5,171
48.	Arkansas .....	5,075
49.	South Carolina .....	4,391
50.	Mississippi .....	4,045

Ref. 1, p. 17; ref. 14, p. 4.

53—Personal Income (1959) per Pupil Enrolled in Public Elementary and Secondary Schools in 1960

1.	Delaware .....	\$15,984
2.	New York .....	15,499
3.	Illinois .....	14,699
4.	New Jersey .....	14,694
5.	Connecticut .....	14,383
6.	Rhode Island .....	13,968
7.	Massachusetts .....	13,710
8.	Alaska .....	13,113
9.	Pennsylvania .....	12,679
10.	Maryland .....	11,703
11.	Wisconsin .....	11,390
12.	New Hampshire .....	11,352
13.	California .....	11,329
14.	Ohio .....	11,221
15.	Missouri .....	11,000
16.	Michigan .....	10,508
17.	Nevada .....	10,408
50 states and D. C. ....		10,270
18.	Nebraska .....	9,883
19.	Washington .....	9,867
20.	Colorado .....	9,821
21.	Oregon .....	9,670
22.	Indiana .....	9,540
23.	Minnesota .....	9,514
24.	Vermont .....	9,267
25.	Montana .....	9,100
26.	Iowa .....	9,027
27.	Hawaii .....	8,915
28.	Kansas .....	8,596
29.	Florida .....	8,545
30.	Texas .....	8,470
31.	Wyoming .....	8,447
32.	Maine .....	8,365
33.	Virginia .....	8,025
34.	Oklahoma .....	7,677
35.	Louisiana .....	7,239
36.	Arizona .....	7,236
37.	Idaho .....	7,077
38.	North Dakota .....	7,054
39.	New Mexico .....	6,953
40.	Kentucky .....	6,811
41.	West Virginia .....	6,681
42.	Utah .....	6,670
43.	South Dakota .....	6,658
44.	Tennessee .....	6,507
45.	Georgia .....	6,275
46.	North Carolina .....	6,046
47.	Alabama .....	5,735
48.	Arkansas .....	5,602
49.	South Carolina .....	5,081
50.	Mississippi .....	4,397

Ref. 1, p. 17; ref. 2, p. 21.

54—Public-School Revenue from the State, 1959-60, as Percent of Personal Income, 1959

1.	Louisiana .....	3.57
2.	New Mexico .....	3.3
3.	South Carolina .....	3.1
4.	Hawaii .....	2.9
5.	North Carolina .....	2.8
6.	Alabama .....	2.5
7.	Utah .....	2.5
8.	Washington .....	2.5
9.	Georgia .....	2.4
10.	Delaware .....	2.3
11.	Wyoming .....	2.3
12.	Alaska .....	2.2
13.	Mississippi .....	2.2
14.	Florida .....	2.0
15.	West Virginia .....	2.0
16.	Arkansas .....	1.9
17.	Nevada .....	1.9
18.	Tennessee .....	1.9
19.	Arizona .....	1.8
20.	Michigan .....	1.8
21.	Minnesota .....	1.8
22.	Oklahoma .....	1.8
23.	Texas .....	1.8
24.	California .....	1.6
25.	Pennsylvania .....	1.6
26.	Kentucky .....	1.4
27.	Montana .....	1.4
28.	New York .....	1.4
29.	North Dakota .....	1.4
30.	Oregon .....	1.4
50 states .....		1.4
31.	Idaho .....	1.3
32.	Maryland .....	1.2
33.	Virginia .....	1.2
34.	Indiana .....	1.1
35.	Maine .....	1.1
36.	Ohio .....	1.1
37.	Kansas .....	0.9
38.	Missouri .....	0.9
39.	Vermont .....	0.9
40.	Colorado .....	0.8
41.	Connecticut .....	0.8
42.	New Jersey .....	0.8
43.	Wisconsin .....	0.7
44.	Illinois .....	0.6
45.	Iowa .....	0.5
46.	Massachusetts .....	0.5
47.	Rhode Island .....	0.5
48.	South Dakota .....	0.4
49.	New Hampshire .....	0.2
50.	Nebraska .....	0.1

Ref. 1, p. 17; ref. 2, p. 28.



55—Public-School Revenue from State and Local Sources, 1959-60, as Percent of Personal Income, 1959

1.	Utah .....	5.6%
2.	Montana .....	5.4
3.	Louisiana .....	5.1
4.	Wyoming .....	4.8
5.	South Dakota .....	4.7
6.	Minnesota .....	4.5
7.	Oregon .....	4.5
8.	North Dakota .....	4.4
9.	Arizona .....	4.3
10.	Michigan .....	4.1
11.	South Carolina .....	4.1
12.	Colorado .....	4.0
13.	New Mexico .....	4.0
14.	North Carolina .....	3.9
15.	Oklahoma .....	3.9
16.	Washington .....	3.9
17.	Kansas .....	3.8
18.	Iowa .....	3.7
19.	Mississippi .....	3.7
20.	Arkansas .....	3.6
21.	Hawaii .....	3.6
22.	Idaho .....	3.6
23.	Indiana .....	3.6
24.	Vermont .....	3.6
25.	Alaska .....	3.5
26.	California .....	3.5
27.	Florida .....	3.5
28.	Maine .....	3.5
29.	New York .....	3.5
30.	West Virginia .....	3.5
50 states and D. C. ....		3.5
31.	Georgia .....	3.4
32.	Ohio .....	3.4
33.	Tennessee .....	3.4
34.	Texas .....	3.4
35.	Alabama .....	3.3
36.	New Jersey .....	3.3
37.	Wisconsin .....	3.3
38.	Nebraska .....	3.2
39.	Maryland .....	3.1
40.	Illinois .....	3.0
41.	Nevada .....	3.0
42.	New Hampshire .....	3.0
43.	Pennsylvania .....	3.0
44.	Kentucky .....	2.9
45.	Rhode Island .....	2.9
46.	Virginia .....	2.9
47.	Connecticut .....	2.8
48.	Delaware .....	2.8
49.	Missouri .....	2.8
50.	Massachusetts .....	2.3

Ref. 1, p. 17; ref. 2, p. 28.

56—Total Revenue from State Taxes as Percent of Personal Income, 1959

1.	Hawaii .....	8.6%
2.	Louisiana .....	8.4
3.	Mississippi .....	7.2
4.	New Mexico .....	6.7
5.	Washington .....	6.6
6.	Arkansas .....	6.3
7.	Oklahoma .....	6.2
8.	South Carolina .....	6.2
9.	North Dakota .....	6.0
10.	North Carolina .....	5.9
11.	Georgia .....	5.6
12.	Vermont .....	5.6
13.	Alabama .....	5.4
14.	Arizona .....	5.4
15.	West Virginia .....	5.3
16.	Wyoming .....	5.3
17.	Delaware .....	5.2
18.	Tennessee .....	5.2
19.	Florida .....	5.1
20.	Nevada .....	5.1
21.	Utah .....	5.1
22.	Colorado .....	4.9
23.	Idaho .....	4.9
24.	South Dakota .....	4.9
25.	Kansas .....	4.7
26.	Kentucky .....	4.7
27.	Maine .....	4.7
28.	Minnesota .....	4.7
29.	Iowa .....	4.6
30.	Michigan .....	4.6
31.	Montana .....	4.6
32.	Oregon .....	4.6
33.	Wisconsin .....	4.6
34.	California .....	4.4
35.	Maryland .....	4.4
36.	Alaska .....	4.3
37.	Rhode Island .....	4.3
49 states .....		4.2
38.	Indiana .....	3.9
39.	Texas .....	3.9
40.	Virginia .....	3.8
41.	Pennsylvania .....	3.6
42.	New York .....	3.5
43.	Massachusetts .....	3.4
44.	Ohio .....	3.3
45.	Connecticut .....	3.2
46.	New Hampshire .....	3.2
47.	Missouri .....	3.1
48.	Nebraska .....	3.0
49.	Illinois .....	2.9
50.	New Jersey .....	2.2

Ref. 1, p. 17; ref. 6, p. 11.

57—Total General Revenue of State and Local Governments (Fiscal 1959) as Percent of Personal Income in 1959

1.	North Dakota .....	16.6%
2.	Louisiana .....	15.2
3.	South Dakota .....	15.2
4.	Montana .....	13.4
5.	Wyoming .....	13.4
6.	New Mexico .....	13.2
7.	Mississippi .....	12.9
8.	Kansas .....	12.7
9.	Minnesota .....	12.7
10.	Vermont .....	12.6
11.	Colorado .....	12.5
12.	Arizona .....	12.1
13.	Idaho .....	11.8
14.	Washington .....	11.8
15.	Iowa .....	11.7
16.	Oklahoma .....	11.6
17.	Oregon .....	11.6
18.	Nevada .....	11.4
19.	Utah .....	11.4
20.	California .....	11.3
21.	Florida .....	11.2
22.	Wisconsin .....	11.1
23.	Arkansas .....	10.9
24.	New York .....	10.9
25.	Maine .....	10.7
26.	Michigan .....	10.7
27.	Georgia .....	10.6
28.	Massachusetts .....	10.5
29.	South Carolina .....	10.4
30.	Alabama .....	10.2
31.	Nebraska .....	10.2
49 states and D. C. ....		10.2
32.	North Carolina .....	10.0
33.	Texas .....	10.0
34.	New Hampshire .....	9.8
35.	Tennessee .....	9.8
36.	Indiana .....	9.7
37.	Rhode Island .....	9.4
38.	Kentucky .....	9.3
39.	West Virginia .....	9.3
40.	Maryland .....	9.1
41.	New Jersey .....	8.9
42.	Ohio .....	8.8
43.	Virginia .....	8.8
44.	Connecticut .....	8.4
45.	Pennsylvania .....	8.4
46.	Delaware .....	8.2
47.	Illinois .....	7.9
48.	Missouri .....	7.8
49.	Alaska .....	7.5

Ref. 1, p. 17; ref. 12, p. 25.

58—State and Local Tax Revenue (Fiscal 1959) as Percent of Personal Income in 1959

1.	South Dakota .....	12.37
2.	North Dakota .....	12.0
3.	Vermont .....	11.3
4.	Louisiana .....	11.2
5.	Montana .....	11.0
6.	Kansas .....	10.7
7.	Mississippi .....	10.6
8.	Minnesota .....	10.3
9.	Wyoming .....	10.1
10.	Colorado .....	10.0
11.	Iowa .....	10.0
12.	Arizona .....	9.6
13.	Idaho .....	9.6
14.	California .....	9.5
15.	Maine .....	9.5
16.	Washington .....	9.5
17.	Wisconsin .....	9.5
18.	Oregon .....	9.4
19.	Utah .....	9.4
20.	Massachusetts .....	9.3
21.	Oklahoma .....	9.3
22.	New York .....	9.2
23.	Nevada .....	9.1
24.	New Mexico .....	9.1
25.	Arkansas .....	9.0
26.	Florida .....	9.0
27.	Michigan .....	9.0
28.	Rhode Island .....	8.5
49 states and D. C. ....		8.5
29.	Georgia .....	8.4
30.	South Carolina .....	8.4
31.	New Hampshire .....	8.3
32.	Nebraska .....	8.2
33.	North Carolina .....	8.2
34.	Tennessee .....	8.2
35.	Indiana .....	8.1
36.	Maryland .....	7.9
37.	Texas .....	7.8
38.	West Virginia .....	7.8
39.	Alabama .....	7.7
40.	New Jersey .....	7.7
41.	Kentucky .....	7.6
42.	Pennsylvania .....	7.2
43.	Connecticut .....	7.1
44.	Ohio .....	7.1
45.	Illinois .....	7.0
46.	Virginia .....	7.0
47.	Missouri .....	6.6
48.	Delaware .....	6.5
49.	Alaska .....	6.1

Ref. 1, p. 17; ref. 12, p. 25.

59—State and Local Property Tax Collections  
(Fiscal 1959) as Percent of Personal Income  
in 1959

1.	South Dakota .....	6.87
2.	Montana .....	6.4
3.	North Dakota .....	6.1
4.	Kansas .....	6.0
5.	Minnesota .....	5.7
6.	Nebraska .....	5.6
7.	Vermont .....	5.5
8.	Wyoming .....	5.5
9.	Massachusetts .....	5.3
10.	New Hampshire .....	5.2
11.	Iowa .....	5.1
12.	Wisconsin .....	5.1
13.	Colorado .....	5.0
14.	New Jersey .....	5.0
15.	Idaho .....	4.9
16.	Arizona .....	4.8
17.	Maine .....	4.8
18.	California .....	4.7
19.	Oregon .....	4.6
20.	Michigan .....	4.5
21.	New York .....	4.5
22.	Indiana .....	4.3
23.	Rhode Island .....	4.1
24.	Utah .....	4.1
49 states and D. C. ....		3.9
25.	Connecticut .....	3.8
26.	Texas .....	3.8
27.	Ohio .....	3.6
28.	Illinois .....	3.5
29.	Nevada .....	3.4
30.	Florida .....	3.3
31.	Maryland .....	3.3
32.	Missouri .....	3.0
33.	Mississippi .....	2.9
34.	Oklahoma .....	2.9
35.	Washington .....	2.8
36.	Kentucky .....	2.7
37.	Pennsylvania .....	2.7
38.	Virginia .....	2.7
39.	Arkansas .....	2.5
40.	Georgia .....	2.5
41.	Louisiana .....	2.5
42.	Tennessee .....	2.5
43.	North Carolina .....	2.3
44.	New Mexico .....	2.2
45.	West Virginia .....	2.2
46.	South Carolina .....	2.0
47.	Alabama .....	1.6
48.	Alaska .....	1.3
49.	Delaware .....	1.3

60—Per-Capita Total Debt of State Governments  
at End of Fiscal Year, 1959

1.	Nebraska .....	\$ 6.64
2.	South Dakota .....	7.79
3.	Wisconsin .....	9.76
4.	Idaho .....	9.83
5.	Nevada .....	10.20
6.	Arizona .....	10.36
7.	Utah .....	11.05
8.	Wyoming .....	11.83
9.	Alaska .....	15.35
10.	Iowa .....	19.94
11.	Missouri .....	20.53
12.	North Dakota .....	23.10
13.	Texas .....	33.26
14.	Tennessee .....	33.86
15.	Colorado .....	39.96
16.	Virginia .....	46.87
17.	Alabama .....	47.27
18.	Kentucky .....	47.46
19.	Minnesota .....	52.39
20.	Florida .....	52.67
21.	New Mexico .....	57.94
22.	Arkansas .....	60.23
23.	North Carolina .....	60.34
24.	Illinois .....	65.40
25.	Montana .....	66.67
26.	Mississippi .....	70.14
27.	Georgia .....	80.38
28.	Indiana .....	87.82
29.	Oklahoma .....	88.24
30.	Michigan .....	91.61
31.	Ohio .....	92.55
32.	Kansas .....	94.56
49-state average .....		96.45
33.	Vermont .....	101.87
34.	South Carolina .....	111.02
35.	Pennsylvania .....	112.94
36.	Louisiana .....	114.57
37.	Rhode Island .....	116.33
38.	California .....	116.95
39.	Maine .....	129.15
40.	Washington .....	139.62
41.	New Hampshire .....	144.85
42.	New Jersey .....	147.45
43.	New York .....	147.56
44.	West Virginia .....	149.94
45.	Oregon .....	160.35
46.	Maryland .....	184.30
47.	Hawaii .....	262.81
48.	Massachusetts .....	269.09
49.	Connecticut .....	361.58
50.	Delaware .....	453.14

Ref. 1, p. 17; ref. 12, p. 25.

Ref. 6, p. 49-50.

61—Percent of Change in Total Population from 1950 to 1960

1.	Florida .....	+78.7%
2.	Nevada .....	+78.2
3.	Alaska .....	+75.8
4.	Arizona .....	+73.7
5.	California .....	+48.5
6.	Delaware .....	+40.3
7.	New Mexico .....	+39.6
8.	Colorado .....	+32.4
9.	Maryland .....	+32.3
10.	Utah .....	+29.3
11.	Hawaii .....	+26.6
12.	Connecticut .....	+26.3
13.	New Jersey .....	+25.5
14.	Texas .....	+24.2
15.	Michigan .....	+22.8
16.	Ohio .....	+22.1
17.	Louisiana .....	+21.4
18.	Washington .....	+19.9
19.	Virginia .....	+19.5
20.	Indiana .....	+18.5
50 states and D. C. ....		+18.5
21.	Oregon .....	+16.3
22.	Illinois .....	+15.7
23.	Wisconsin .....	+15.1
24.	Georgia .....	+14.5
25.	Minnesota .....	+14.5
26.	Kansas .....	+14.3
27.	Montana .....	+14.2
28.	New Hampshire .....	+13.8
29.	Wyoming .....	+13.6
30.	Idaho .....	+13.3
31.	New York .....	+13.2
32.	South Carolina .....	+12.5
33.	North Carolina .....	+12.2
34.	Massachusetts .....	+ 9.8
35.	Missouri .....	+ 9.2
36.	Rhode Island .....	+ 8.5
37.	Tennessee .....	+ 8.4
38.	Pennsylvania .....	+ 7.8
39.	Alabama .....	+ 6.7
40.	Nebraska .....	+ 6.5
41.	Maine .....	+ 6.1
42.	Iowa .....	+ 5.2
43.	Oklahoma .....	+ 4.3
44.	South Dakota .....	+ 4.3
45.	Kentucky .....	+ 3.2
46.	Vermont .....	+ 3.2
47.	North Dakota .....	+ 2.1
48.	Mississippi .....	+Less than 0.1
49.	Arkansas .....	- 6.5
50.	West Virginia .....	- 7.2
Canal Zone .....		-21.1
Guam .....		+12.5
Puerto Rico .....		+ 6.5
Virgin Islands .....		+19.6

Ref. 13.

64—Net Total Migration, April 1, 1950, to July 1, 1958

1.	Nevada .....	+50.6
2.	Florida .....	+47.1
3.	Arizona .....	+33.4
4.	Delaware .....	+23.6
5.	California .....	+19.9
6.	Alaska .....	+13.4
7.	Maryland .....	+11.5
8.	New Jersey .....	+ 9.1
9.	Colorado .....	+ 8.6
10.	Michigan .....	+ 6.2
11.	Ohio .....	+ 6.1
12.	Connecticut .....	+ 5.9
13.	Hawaii .....	+ 5.2
14.	Illinois .....	+ 3.3
15.	Washington .....	+ 3.0
16.	Texas .....	+ 2.4
17.	Indiana .....	+ 2.1
18.	Virginia .....	+ 2.0
19.	Oregon .....	+ 1.9
20.	Utah .....	+ 1.8
48 states and D. C. ....		+ 1.3
21.	Wisconsin .....	+ 1.0
22.	New York .....	+ 0.4
23.	New Mexico .....	*
24.	New Hampshire .....	- 0.2
25.	Rhode Island .....	- 0.5
26.	Montana .....	- 1.0
27.	Minnesota .....	- 2.4
28.	Kansas .....	- 2.8
29.	Louisiana .....	- 3.1
30.	Missouri .....	- 3.5
31.	Pennsylvania .....	- 3.6
32.	Nebraska .....	- 4.4
33.	Massachusetts .....	- 5.2
34.	Iowa .....	- 5.6
35.	Idaho .....	- 5.9
36.	South Carolina .....	- 6.3
37.	North Carolina .....	- 6.9
38.	Georgia .....	- 7.2
39.	Maine .....	- 7.9
40.	Wyoming .....	- 8.5
41.	Tennessee .....	- 8.6
42.	Kentucky .....	- 8.9
43.	Oklahoma .....	-10.8
44.	South Dakota .....	-10.9
45.	Alabama .....	-12.2
46.	Vermont .....	-12.7
47.	North Dakota .....	-12.9
48.	West Virginia .....	-14.8
49.	Mississippi .....	-17.6
50.	Arkansas .....	-22.0
Puerto Rico .....		-18.8

\*Less than 0.05.

Ref. 11, p. 5.

## 66—Per-Capita Retail Sales, 1959

1.	Nevada .....	\$1,602
2.	Delaware .....	1,460
3.	California .....	1,447
4.	Florida .....	1,374
5.	Connecticut .....	1,372
6.	Illinois .....	1,364
7.	Wyoming .....	1,363
8.	Idaho .....	1,360
9.	Massachusetts .....	1,336
10.	New Hampshire .....	1,334
11.	New Jersey .....	1,325
12.	Colorado .....	1,324
13.	New York .....	1,317
14.	Montana .....	1,306
15.	Vermont .....	1,283
16.	Washington .....	1,283
17.	Iowa .....	1,281
18.	Oregon .....	1,279
19.	Nebraska .....	1,269
20.	North Dakota .....	1,262
21.	Arizona .....	1,254
22.	Missouri .....	1,253
23.	Minnesota .....	1,242
24.	Ohio .....	1,237

---

United States ..... 1,210

---

25.	Kansas .....	1,208
26.	Michigan .....	1,208
27.	Wisconsin .....	1,207
28.	South Dakota .....	1,197
29.	Indiana .....	1,193
30.	Maine .....	1,192
31.	Rhode Island .....	1,173
32.	Texas .....	1,168
33.	Pennsylvania .....	1,154
34.	Utah .....	1,131
35.	Maryland .....	1,129
36.	New Mexico .....	1,129
37.	Oklahoma .....	1,096
38.	Louisiana .....	1,008
39.	Hawaii .....	1,000
40.	Virginia .....	997
41.	Georgia .....	994
42.	Tennessee .....	973
43.	Alaska .....	969
44.	Arkansas .....	967
45.	North Carolina .....	933
46.	Kentucky .....	893
47.	Alabama .....	873
48.	West Virginia .....	847
49.	South Carolina .....	769
50.	Mississippi .....	761

Ref. 4.

Copr. 1960, Sales Management Survey of  
Buying Power; further reproduction not  
licensed.

68—Percent of Population Classified as Urban  
1960

1.	New Jersey .....	88.37
2.	Rhode Island .....	87.5
3.	California .....	86.4
4.	New York .....	85.4
5.	Massachusetts .....	83.7
6.	Illinois .....	80.7
7.	Connecticut .....	78.3
8.	Hawaii .....	76.5
9.	Texas .....	75.0
10.	Utah .....	74.9
11.	Arizona .....	74.5
12.	Florida .....	73.9
13.	Colorado .....	73.7
14.	Michigan .....	73.4
15.	Ohio .....	73.3
16.	Maryland .....	72.8
17.	Pennsylvania .....	71.6
18.	Nevada .....	70.4

---

50 states and D. C. .... 69.9

---

19.	Washington .....	68.3
20.	Missouri .....	66.6
21.	New Mexico .....	65.9
22.	Delaware .....	65.7
23.	Wisconsin .....	63.8
24.	Louisiana .....	63.3
25.	Oklahoma .....	62.9
26.	Indiana .....	62.4
27.	Minnesota .....	62.2
28.	Oregon .....	62.2

29.	Kansas .....	61.0
30.	New Hampshire .....	58.3
31.	Wyoming .....	56.8
32.	Virginia .....	55.6
33.	Georgia .....	55.3
34.	Alabama .....	54.8
35.	Nebraska .....	54.3
36.	Iowa .....	53.0
37.	Tennessee .....	52.3
38.	Maine .....	51.3

39.	Montana .....	50.2
40.	Idaho .....	48.0
41.	Kentucky .....	44.5
42.	Arkansas .....	42.8
43.	South Carolina .....	41.2
44.	North Carolina .....	39.5
45.	South Dakota .....	39.3
46.	Vermont .....	38.5
47.	West Virginia .....	38.2
48.	Alaska .....	37.9
49.	Mississippi .....	37.7
50.	North Dakota .....	35.2

Ref. 13.

## REFERENCES

1. Graham, Robert E., Jr. "General Rise in State Income in 1959." Survey of Current Business 40: 10-24; August 1960.
2. National Education Association, Research Division. Estimates of School Statistics, 1960-61. Research Report 1960-R15. Washington, D. C.: the Association, December 1960. 32 p.
3. National Education Association, Research Division. Teacher Supply and Demand in Public Schools, 1960. Research Report 1960-R7. Washington, D. C.: the Association, April 1960. 48 p.
4. Sales Management. "Per Capita and per Household Sales by States and Sections." Sales Management 84: 808; July 10, 1960.
5. Schwartz, Charles F., and Graham, Robert E., Jr. Personal Income by States Since 1929. A supplement to the Survey of Current Business. Washington, D. C.: Superintendent of Documents, Government Printing Office, 1956. 229 p.
6. U. S. Department of Commerce, Bureau of the Census. Compendium of State Government Finances in 1959. G-SF59-No. 2. Washington, D. C.: Superintendent of Documents, Government Printing Office, 1960. 67 p.
7. U. S. Department of Commerce, Bureau of the Census. Estimates of the Civilian Population by Broad Age Groups, for States and Selected Outlying Areas: July 1, 1958. Current Population Reports, Population Estimates, Series P-25, No. 214. Washington, D. C.: the Bureau, March 24, 1960. 8 p.
8. U. S. Department of Commerce, Bureau of the Census. Estimates of Illiteracy, by States 1950. Current Population Reports, Population Estimates, Series P-23, No. 6. Washington, D. C.: the Bureau, November 1959. 2 p.
9. U. S. Department of Commerce, Bureau of the Census. Estimates of the Civilian Population by Broad Age Groups, for States and Selected Areas: July 1, 1957. Current Population Reports, Population Estimates, Series P-25, No. 194. Washington, D. C.: the Bureau, February 16, 1959. 7 p.
10. U. S. Department of Commerce, Bureau of the Census. Estimates of the Civilian Population of Voting Age, for States: November 1960. Current Population Reports, Population Estimates, Series P-25, No. 221. Washington, D. C.: the Bureau, October 7, 1960. 3 p.
11. U. S. Department of Commerce, Bureau of the Census. Estimates of the Population of States and Selected Outlying Areas of the United States: July 1, 1958 and 1957. Current Population Reports, Population Estimates, Series P-25, No. 208. Washington, D. C.: the Bureau, December 1, 1959. 8 p.
12. U. S. Department of Commerce, Bureau of the Census. Governmental Finances in 1959. G-GF59-No. 2. Washington, D. C.: the Bureau, September 30, 1960. 37 p.
13. U. S. Department of Commerce, Bureau of the Census. 1960 Census of Population. Advance Reports, Final Population Counts, Series PC(A1). Washington, D. C.: the Bureau, 1960.
14. U. S. Department of Commerce, Bureau of the Census. Projections of the School-Age Population, by States, 1959-63. Current Population Reports, Population Estimates, Series P-25, No. 201. Washington, D. C.: the Bureau, June 1, 1959. 6 p.
15. U. S. Department of Commerce, Bureau of the Census. Provisional Estimates of the Population of States and Selected Outlying Areas of the United States: July 1, 1959. Current Population Reports, Population Estimates, Series P-25, No. 210. Washington, D. C.: the Bureau, December 27, 1959. 4 p.
16. U. S. Department of Commerce, Bureau of the Census. State Tax Collections in 1960. G-SF60-No. 3. Washington, D. C.: the Bureau, August 26, 1960. 12 p.

17. U. S. Department of Commerce, Bureau of the Census. U. S. Census of Population: 1950. Vol. II, Characteristics of the Population. Washington, D. C.: Superintendent of Documents, Government Printing Office, 1952.
18. U. S. Department of Commerce, Bureau of the Census. U. S. Census of Population: 1950. Vol. II, Characteristics of the Population, Territories and Possessions. Washington, D. C.: Superintendent of Documents, Government Printing Office, 1953.
19. U. S. Department of the Army, Office of the Surgeon General. "Preinduction and Induction Examination Results, 1959." Health of the Army 15: 1-10; February 1960.
20. U. S. Department of Health, Education, and Welfare, Office of Education. Fall 1959 Statistics on Enrollment, Teachers, and Schoolhousing in Full-Time Public Elementary and Secondary Day Schools. Circular No. 604. Washington, D. C.: Superintendent of Documents, Government Printing Office, 1959. 20 p.
21. U. S. Department of Health, Education, and Welfare, Office of Education. Statistical Summary of State School Systems, 1957-58. Circular No. 623. Washington, D. C.: the Office, 1960. 14 p.
22. U. S. Department of Health, Education, and Welfare, Office of Education. "Statistics of State School Systems: Organization, Staff, Pupils, and Finances, 1953-54." Biennial Survey of Education in the United States--1952-54. Washington, D. C.: Superintendent of Documents, Government Printing Office, 1956. Chapter 2, 141 p.
23. U. S. Department of Health, Education, and Welfare, Office of Education. "Statistics of State School Systems, 1955-56: Organization, Staff, Pupils, and Finances." Biennial Survey of Education in the United States: 1954-56. Washington, D. C.: Superintendent of Documents, Government Printing Office, 1959. 140 p.
24. U. S. Department of Health, Education, and Welfare, Public Health Service. "Annual Summary for 1959--Part I: Provisional Vital Statistics for the United States." Monthly Vital Statistics Report 8: 1-12; April 25, 1960.
25. U. S. Office of Education, Federal Security Agency. Statistics of State School Systems, 1950-51. Circular No. 367. Washington, D. C.: the Office, March 1953. 9 p.
26. U. S. Treasury Department, Internal Revenue Service. Federal Tax Collections, Calendar Year 1959. Publication No. 422 (3-60). Washington, D. C.: the Department, 1960. 10 p.



## MAJOR RESEARCH DIVISION PUBLICATIONS OF 1960

Research Monograph

1960-M1 One-Teacher Schools Today. June 1960. \$1.25. Stock #43-567.

Research Reports

- 1960-R1 Salary Schedule Maximums for School Administrators, 1959-60, Urban Districts 100,000 and Over in Population. January 1960. 48 p. 75¢. Stock #43-557.
- 1960-R2 Salary Schedules, Classroom Teachers, Urban Districts 30,000-99,999 in Population, 1959-60. Public-School Salaries Series. March 1960. 47 p. 50¢. Stock #43-558.
- 1960-R3 Salaries Paid and Salary Practices in Universities, Colleges, and Junior Colleges, 1959-60. Higher Education Series. March 1960. 55 p. \$1. Stock #43-559.
- 1960-R4 Salary Schedule Maximums for School Administrators, 1959-60, Urban Districts 30,000 to 99,999 in Population. Public-School Salaries Series. April 1960. 55 p. 75¢. Stock #43-560.
- 1960-R5 The Teacher's Day in Court: Review of 1959. School-Law Series. April 1960. 50 p. 75¢. Stock #43-561.
- 1960-R6 The Pupil's Day in Court: Review of 1959. School-Law Series. April 1960. 50 p. 75¢. Stock #43-562.
- 1960-R7 Teacher Supply and Demand in Public Schools, 1960. April 1960. 48 p. \$1. Stock #43-563.
- 1960-R8 Economic Status of Teachers in 1959-60. May 1960. 50 p. 75¢. Stock #43-564.
- 1960-R9 Rankings of the States, 1960. May 1960. 43 p. 75¢. Stock #43-565.
- 1960-R10 Class Size in Urban Elementary Schools, 1959-60. June 1960. 24 p. 50¢. Stock #43-566.
- 1960-R11 Salary Schedules, Classroom Teachers, Urban Districts 100,000 and Over in Population, 1960-61. Public-School Salaries Series. October 1960. 31 p. 50¢. Stock #43-568.
- 1960-R12 High Spots in State School Legislation, January 1-August 1, 1960. School-Law Series. October 1960. 46 p. 50¢. Stock #43-569.
- 1960-R13 State Minimum-Salary Laws and Goal Schedules for Teachers, 1960-61. Public-School Salaries Series. November 1960. 44 p. 50¢. Stock #43-570.
- 1960-R14 Salary Schedule Maximums for School Administrators, 1960-61, Urban Districts 100,000 and Over in Population. Public-School Salaries Series. November 1960. 47 p. 75¢. Stock #43-571.
- 1960-R15 Estimates of School Statistics, 1960-61. December 1960. 32 p. 75¢. Stock #43-572.

Senator MORSE. Dr. Carr, I only want to make this additional comment in supplementing what you have said, because I have no intention in these hearings, at any time, to hesitate to face up to the issues which confront us, including the delicate ones, if we run into delicate ones.

There is one issue on which very strong feelings and points of view do exist. I was profoundly impressed by that part of the President's press conference yesterday in which he came to direct grips with this problem. I hope that his statesmanlike statement of yesterday will be very carefully considered by all who have varying points of view on this subject matter. I also think people interested in this bill, of every viewpoint, are entitled to know the chairman's position on the issues involved.

#### OPPOSITION TO TITLE I AMENDMENTS

I do not want to restate now the position that I took on the floor of the Senate when I presented this bill on behalf of the President. I wish only to reiterate that, as far as I am concerned, I shall oppose adding to this bill a private school amendment, based upon interest-paying loans to private schools for many reasons. The main reason is that I think we owe it to the President, and I think we owe it to the schoolchildren of America, to get the principles of the administration bill on the statute books.

By so doing we can arrive, once and for all, at a solution to this long-delayed problem. It is time the Federal Government assumed its fair share of responsibility in connection with helping to finance educational processes of this country.

I speak most respectfully to those who disagree with me and you have no idea how many do. I have not changed, one whit, my view as to the constitutionality of making interest-paying loans to private institutions in this country, when the programs financed are connected with promoting the national interest. This is my view no matter whether it is a Baptist hospital, a Catholic hospital, a Presbyterian hospital, a laboratory in a Baptist college, a Catholic college or a dormitory.

I find no conflict with the Constitution in holding this view, but I am perfectly willing to let the matter go to the Supreme Court for a final determination.

As I listened to a brilliant extemporaneous presentation yesterday by the President of the United States, I felt moved by the magnificent fashion in which he presented his subject. I point out that what he is proposing is that we take the step on which there is widespread agreement among most of us. We have a responsibility in the national interest, from the standpoint, as he so well indicated yesterday, of the security of our Nation, if no other, to do something about guaranteeing to our country the development of the potential brainpower of this country. Brainpower is being wasted because of a failure on the part of the Federal Government to assume its responsibility.

#### SEPARATE BILL PROPOSED

I want to say to my friends and to my opponents on this matter, and to those high in the fields of private education in this country,

church and nonchurch, that the proposal advanced, it seems to me, ought to be raised in a separate bill so that it isn't commingled with the issues of this bill.

There are enough problems in this bill without adding anything more. In due course of time, let the Congress debate a separate bill on the so-called private school loan issue and, if it passes, let the courts determine whether or not in passing it Congress has exceeded its constitutional powers.

I offer only one caveat. The President made very clear the difference in his position between grants and loans. He made perfectly clear again yesterday, as he has before, that grants, in his opinion, to church schools are clearly unconstitutional. I completely agree with him: I always have said so. Some of my critics may have missed that point. I have always taken the position that it would be a violation of our constitutional doctrine of separation of church and state to make grants to church schools. In fact, not only are grants to church schools, in my judgment, a violation of the Constitution, but grants for other church functions are likewise a violation of the principle.

Loans are in a different category. My caveat is that on this point I am perfectly willing to let the Supreme Court decide. I follow the President on one facet of this problem. I do not think it makes any constitutional difference whether there is a so-called uniform loan program which is applicable to all parochial schools and private schools or whether a loan program is advocated which goes only to some segment or goes only to some specific institution or goes only to some specific purpose in connection with a private institution. One cannot segmentize the Constitution that way.

The question is whether or not a loan can be considered as an exception or as not falling within this constitutional restriction. I am perfectly willing to risk whatever reputation I may have as a student of the Constitution, by holding that, in my judgment, interest-bearing loans to private institutions do not violate the Constitution of the United States. This matter will be determined once we get a Supreme Court decision on it.

But it is a great mistake, and I speak most respectfully, it is a great mistake, may I say, to those in any church who take the position that unless the loan feature can be placed in this bill, they will oppose the bill. In my judgment they do a disservice to their own constituency. If the principle of Federal aid to education is established, it will be of assistance, may I say quite frankly, to the Catholic parents in local school districts. It will help in the sense, that it will give parents some tax relief, that to the extent it helps to lower the local tax burden for the public school in that district, it helps lower the partial tax burden. It is from this standpoint that I respectfully call to the attention of the Catholic hierarchy, if it is true, that the Catholic hierarchy takes the position that unless the bill contains a loan program for parochial schools, it is against the bill, then it is making a great mistake, in my judgment, from the standpoint of the best interests of its own constituents. A greater mistake from the standpoint of public policy is being made because, after all, from the standpoint of national interest and public policy, there should be no line of distinction among us, whether we be Protestant, Catholic, or Jew.

We have a common duty, in my judgment, to do what we can, as I said yesterday, to obtain for these little boys and girls the educational opportunity that is now being denied to them. We have a responsibility to let the controversy among their elders await a determination through our constitutional processes by adopting such a program as I have suggested here this morning.

I not only fear, but I know very well, what I am going to get in return from some places, but at least, I have put myself on record as solidly behind the President's position of yesterday afternoon. I again congratulate him on that very clear statement. I hope every American interested in this program will read it.

Let us get on with the job of passing the President's bill. Then let us take up these ancillary matters which, in my judgment, are really not directly concerned with the question as to whether or not we are going to have Federal aid to our public schools. That is what this bill is about, Federal aid to public schools.

I hope I am not considered disrespectful or unfair when I say, I do not think any group in our country should take advantage of a political tactic available to them of making it difficult, or perhaps impossible to get Federal aid to the public schools simply because a particular bill does not include a provision which would accrue to its special interest benefit. I don't know of anyone in the Senate who has a better right to say this than the chairman of this subcommittee because I was the author of a proposal last year which proposed to afford interest-paying loans to private schools. I will vote for it again as a separate bill. But I will not vote for it, this year, as an amendment to the administration bill which carries my name because I function as the President's floor leader on it. **I will not vote for it this year if an amendment is attached to this bill any more than I would vote for a civil rights amendment if it were to be attached to this bill.**

As I said yesterday, a civil rights issue ought to be considered in a separate civil rights bill. I would look upon this, may I say, and I close with this, and I am offering my apologies to Senator Yarborough and Senator Randolph for making a statement at this length, but I want to say that, as far as I am concerned, this situation has developed to the point where a proposal for a civil rights amendment or a private school loan amendment would be an attempt at legislation by way of a rider. For 16 years in the Senate I have spoken out time and time again against legislation by rider, because I do not think that is a desirable way to pass legislation in the Congress.

Now, I hope that this is the last time I shall make any such lengthy statement in this subcommittee. I did so because I thought I owed it to the President, and I also owed it to my friends, among whom are many who differ with me on the private school loan bill idea. I think it is well known by the press that an attempt was made to get me to reintroduce my bill as an amendment to this bill. I made it very clear that under no circumstances would I do that. I again make this very clear. Although at that time I said I reserved the right, as I said on the floor of the Senate, to pass judgment on what amendments I would vote for, I have now reached the opinion this morning after listening to the President's brilliant discussion of this matter in his press interview yesterday, I have reached the point now, where I should make clear that I not only will not introduce the amendment but I will not vote for it if it is attached as a rider to this

bill. If the proposal is offered as a separate bill after this bill has gone through the legislative mill, so to speak, I, at that time, will review again, my position on this matter, and in all probability I think I would vote for it.

The Senator from Texas?

Senator YARBOROUGH. Thank you. That is a very fine exposition by the chairman of this subcommittee of his position. I think it is very important that his position be known because he is chairman of the Education Subcommittee and also the principal sponsor of the administration's bill. I will comment on each position taken by our distinguished chairman, though I won't say I am for the bill.

Senator MORSE. I turned to you to see if you had any questions to ask Dr. Carr. I am sorry I didn't make myself clear.

Senator YARBOROUGH. I regret I haven't had an opportunity to hear all the questioning, but the staff has given me a brief rundown and fill-in, and I won't take very much time. I know you are with the NEA and they have given me a brief digest. Thank you very much.

Senator MORSE. Senator Randolph?

Senator RANDOLPH. Mr. Chairman, so we may expedite the hearing, and get to Dr. Lambert, I think it best that I allow questioning on certain specifics which overlap to be expressed by me to Secretary Ribicoff and others at a later date. Your testimony, Dr. Carr, was most informative, in certain instances challenging, and also inspirational in nature because, if I may say it, the qualified teacher, and that includes the receiving of adequate pay, will be the inspired teacher. This is very important because the modern school without a teacher such as that will be a dark place.

Senator MORSE. Before excusing you, Dr. Carr, I want to reserve the right, in behalf of the subcommittee, to submit to you questions in writing which may arise during our deliberations, and also in case it becomes absolutely necessary, to recall you to the witness stand for further oral testimony. However, I think we can handle it by submitting to you written questions, if we decide that this becomes necessary.

Dr. CARR. Thank you. We will await your call.

Senator MORSE. Dr. Lambert, we are delighted to have you proceed in your own way.

#### **STATEMENT OF DR. SAM M. LAMBERT, DIRECTOR, RESEARCH DIVISION, NATIONAL EDUCATION ASSOCIATION, WASHINGTON, D.C.**

Dr. LAMBERT. Mr. Chairman, I have with me today a 45-page statement on this bill, and I would like to ask the committee that the full statement be inserted in the record, and permit me to make a very brief overview of the major points in this.

Senator MORSE. I wanted to hear from Dr. Carr in the time we gave him, but I was just about to remind the witness we do have a 15-minute rule for testimony in chief, and I will insert at this point the full statement in the record, and I would like to have you take 15 minutes to summarize it.

Dr. LAMBERT. I can do this in 15 minutes.

(The prepared statement of Dr. Lambert follows:)

STATEMENT PRESENTED BY DR. SAM M. LAMBERT, DIRECTOR, RESEARCH DIVISION,  
NATIONAL EDUCATION ASSOCIATION, WASHINGTON, D.C.

Mr. Chairman and members of the committee, before commenting on the specific provisions under S. 1021, I would like to offer some background information on the current status of public education in the United States. This information, I think, will give us an appropriate setting for discussing the pending legislation. Also, to be as fair as possible, I want to direct your attention to the credit as well as the debit side of the ledger on public education.

ON THE CREDIT SIDE

The people of this country can point with pride to the many accomplishments in public education in the past two or three decades. All in all we have come a long way.

From 8th-graders to 11th-graders

The one achievement that impresses me most is the fact that in just 19 years, from April 1940 to March 1959, we have moved the median years of schooling completed by adults 25 years of age and over from 8.4 to 11 years. (See table 18.) Nineteen years ago we were a nation of eight-graders; today we are a nation of high school juniors. Despite all the grumbling about spelling and reading over the past decade, I doubt that there is a nation on earth as well educated.

In addition to the many direct personal benefits to the recipients of this additional education, no one should overlook the economic benefits to the Nation's economy. We are rapidly reaching the point where we will be a nation of high school graduates. In fact, this level has already been achieved by the typical (median) person in the 25-to-29-year age group.

TABLE 18.—Level of school completed by persons 25 years old and over and 25 to 29 years old, 1940-59

Date and age	Both sexes			
	Percent by level of school completed			Median school years completed
	Less than 5 years of elementary school	4 years of high school or mor	4 or more years of college	
(1)	(2)	(3)	(4)	(5)
25 years and over:				
March 1959.....	8.0	42.9	7.9	11.0
March 1957.....	9.0	40.8	7.5	10.6
October 1952.....	9.1	38.4	6.9	10.1
April 1950.....	10.8	33.4	6.0	9.3
April 1947.....	10.4	32.6	5.4	9.0
April 1940.....	13.5	24.1	4.6	8.4
25 to 29 years:				
March 1959.....	3.0	63.3	11.0	12.3
October 1952.....	3.8	56.7	10.0	12.2
April 1950.....	4.6	51.7	7.7	12.1
April 1940.....	5.9	37.8	5.8	10.4

Source: U.S. Department of Commerce, Bureau of the Census, "Literacy and Educational Attainment March 1959," Current Population Reports, series P-20, No. 99, Washington, D.C., the Bureau, Feb. 4: 1960, table 3, p. 15.

I wonder if you know that the typical male high school graduate can be expected to earn over his lifetime (from age 25 to death) \$71,868 more than the typical male elementary school graduate. (See table 19.) For the \$8,658,000<sup>1</sup> male adults in this country in 1958 with only 8 years of schooling, high school graduation would mean a difference in lifetime income of a total of \$622 billion.

<sup>1</sup> U.S. Department of Commerce, Bureau of the Census, "Income of Families and Persons in the United States: 1958," Current Population Reports, Consumer Income Series P-60, No. 33. Washington, D.C., the Bureau, Jan. 15, 1960. Table 26, p. 38.

It might be well to add that Federal taxes on the difference in incomes would probably amount to several billions more in revenue each year.

TABLE 19.—*Lifetime income (earnings) based on arithmetic means for males in selected age groups, by years of school completed, for the United States, 1939, 1946, 1949, 1956, and 1958*

Years of school completed and age 1	1939 <sup>1</sup> 2	1946 <sup>2</sup> 3	1949 <sup>3</sup> 4	1956 <sup>4</sup> 5	1958 <sup>5</sup> 6
Income from age 18 to death:					
Elementary:					
Total.....	( <sup>5</sup> )	( <sup>5</sup> )	\$113,330	\$154,593	\$154,114
Less than 8 years <sup>4</sup> .....	( <sup>5</sup> )	( <sup>5</sup> )	98,222	132,736	129,764
8 years.....	( <sup>5</sup> )	( <sup>5</sup> )	132,683	180,857	181,695
High school:					
1 to 3 years.....	( <sup>5</sup> )	( <sup>5</sup> )	152,068	205,277	211,193
4 years.....	( <sup>5</sup> )	( <sup>5</sup> )	185,279	253,631	257,557
College:					
1 to 3 years.....	( <sup>5</sup> )	( <sup>5</sup> )	209,282	291,581	315,504
4 years or more.....	( <sup>5</sup> )	( <sup>5</sup> )	296,377	405,698	435,242
Income from age 25 to death:					
Elementary:					
Total.....	( <sup>5</sup> )	\$87,004	104,998	143,712	143,808
Less than 8 years <sup>4</sup> .....	( <sup>5</sup> )	74,369	91,095	123,295	120,965
8 years.....	( <sup>5</sup> )	98,702	122,787	168,004	169,976
High school:					
1 to 3 years.....	( <sup>5</sup> )	107,940	141,870	192,254	198,881
4 years.....	( <sup>5</sup> )	135,852	174,740	237,776	241,844
College:					
1 to 3 years.....	( <sup>5</sup> )	161,699	201,938	281,553	305,395
4 years or more.....	( <sup>5</sup> )	201,731	286,833	391,992	419,871
Income from age 18 to 64:					
Elementary:					
Total.....	\$40,005	( <sup>5</sup> )	100,413	138,127	137,786
Less than 8 years <sup>4</sup> .....	( <sup>5</sup> )	( <sup>5</sup> )	86,912	117,930	115,418
8 years.....	( <sup>5</sup> )	( <sup>5</sup> )	116,968	161,124	161,643
High school:					
1 to 3 years.....	56,653	( <sup>5</sup> )	132,371	182,795	188,362
4 years.....	71,453	( <sup>5</sup> )	159,487	224,529	231,509
College:					
1 to 3 years.....	77,775	( <sup>5</sup> )	180,841	254,092	279,640
4 years or more.....	109,961	( <sup>5</sup> )	251,493	354,457	382,982
Income from age 25 to 64:					
Elementary:					
Total.....	37,172	74,071	91,932	127,047	127,286
Less than 8 years <sup>4</sup> .....	( <sup>5</sup> )	62,334	79,654	108,310	106,449
8 years.....	( <sup>5</sup> )	84,687	106,889	148,033	149,687
High school:					
1 to 3 years.....	53,011	92,044	121,943	169,501	175,779
4 years.....	67,383	114,023	148,649	208,322	215,487
College:					
1 to 3 years.....	73,655	138,871	173,166	243,611	269,105
4 years or more.....	104,608	168,983	241,427	340,131	366,990

<sup>1</sup> Restricted to persons reporting \$1 or more of wage or salary income and less than \$50 of other income for native whites and Negroes.

<sup>2</sup> Total money earnings.

<sup>3</sup> Total money income.

<sup>4</sup> Includes persons reporting no years of school completed, not shown separately.

<sup>5</sup> Not available.

Source: Miller, Herman P., "Annual and Lifetime Income in Relation to Education," American Economic Review 50, pp. 962-986, December 1960. Table 11, p. 981.

### Consolidation

A second achievement of considerable merit is the progress made toward consolidation of districts and schools. In the past 10 years we have reduced the number of school districts in this country from 83,614 in 1949-50 to 37,153 in 1960-61,<sup>2</sup> or 56 percent. In the past 10 years we have been eliminating districts at the rate of 4,600 annually.

Along with the consolidation of school districts has come the elimination of

<sup>2</sup> U.S. Department of Health, Education, and Welfare, Office of Education. "Statistical Summary of Education: 1955-56." Biennial Survey of Education in the United States—1954-56, Washington, D.C.: Superintendent of Documents, Government Printing Office, 1959, ch. 1, table 14, p. 28.

National Education Association, Research Division, "Estimates of School Statistics, 1960-61." Research Report 1960-R15. Washington, D.C.: the Association, December 1960. Table 1, p. 19.



thousands and thousands of one-room schools. Between 1948 and 1959 the number of one-room schools in this country dropped from 75,000 to 24,000.<sup>3</sup>

Most educators believe these changes are resulting in more and better education for America's children and youth. Many citizens, however, labor under the misconception that school consolidation saves money. Actually, it does not. Almost always the larger district spends more money than the districts it replaced. These larger districts, however, provide a broader program which was economically impossible in the small district. Practically every educator agrees that the changes result in getting more and better education for our money.

#### *More money*

In this list of major achievements we cannot overlook the magnificent display of effort on the part of the American people to finance this rapidly expanding enterprise. The investment in public elementary and secondary schools has increased from \$5.8 billion 10 years ago to an estimated \$15.3 billion in 1959-60,<sup>4</sup> an increase of about 164 percent. Even in constant dollars of 1959-60 prices, the increase was 78 percent, from \$8.6 billion in 1949-50 to \$15.3 billion in 1959-60. Expense per pupil in average daily attendance increased 83 percent in current dollars and 24 percent in constant prices. (See table 20.)

---

<sup>3</sup> Gaumnitz, Walter H., and Blose, David T., "The One-Teacher School—Its Midcentury Status," U.S. Office of Education, Federal Security Agency, Circular 318. Washington, D.C.: Superintendent of Documents, Government Printing Office, 1950, p. 19.

National Education Association, Research Division, "One-Teacher Schools Today," Research Monograph 1960-M1. Washington, D.C.: the Association, June 1960, p. 12.

<sup>4</sup> U.S. Department of Health, Education, and Welfare, Office of Education, "Statistical Summary of Education: 1955-56," Biennial Survey of Education in the United States—1954-56. Washington, D.C.: Superintendent of Documents, Government Printing Office, 1959. Table 13, p. 25.

National Education Association, Research Division, "Estimates of School Statistics, 1960-61," Research Report 1960-R15. Washington, D.C.: the Association, December 1960. Table 12, p. 30.

TABLE 20.—*Total expenditures per pupil in ADA, 1949-50 and 1959-60, in current and constant prices*

State  (1)	Total expenditures per pupil in ADA			Percent of change	
	1949-50 in current prices  (2)	1949-50 in constant prices of 1959-60  (3)	1959-60 in current prices  (4)	In current prices  (5)	In constant prices  (6)
50 States and District of Columbia.....	\$260.30	\$384.50	\$476.40	83.0	23.9
Alabama.....	132.80	196.10	244.10	83.8	24.5
Alaska.....	372.80	550.60	676.50	81.5	22.9
Arizona.....	327.00	483.00	521.30	59.4	7.9
Arkansas.....	153.10	226.10	264.60	72.8	17.0
California.....	383.80	566.90	659.90	71.9	16.4
Colorado.....	295.80	436.90	500.00	69.0	14.4
Connecticut.....	340.40	502.80	515.00	51.3	2.4
Delaware.....	318.50	470.40	625.30	96.3	32.9
District of Columbia.....	326.60	482.40	474.10	45.2	-1.7
Florida.....	228.90	338.10	394.10	72.2	16.6
Georgia.....	143.30	211.70	252.10	75.9	19.1
Hawaii.....	226.20	334.10	391.30	73.0	17.1
Idaho.....	236.60	349.50	353.90	49.6	1.3
Illinois.....	347.10	512.70	569.80	64.2	11.1
Indiana.....	268.60	396.70	434.00	61.6	9.4
Iowa.....	273.10	403.40	466.20	70.7	15.6
Kansas.....	240.50	355.20	489.80	103.7	37.9
Kentucky.....	133.30	196.90	256.30	92.3	30.2
Louisiana.....	267.80	395.50	478.70	78.8	21.0
Maine.....	173.10	255.70	339.60	96.2	32.8
Maryland.....	311.60	460.20	528.50	69.6	14.8
Massachusetts.....	258.60	382.00	484.70	87.4	26.9
Michigan.....	278.10	410.80	538.10	93.5	31.0
Minnesota.....	272.30	402.20	531.70	95.3	32.2
Mississippi.....	86.40	127.60	289.60	235.2	127.0
Missouri.....	201.50	297.60	416.40	106.7	39.9
Montana.....	327.80	484.20	485.20	48.0	0.2
Nebraska.....	231.30	341.60	392.30	69.6	14.8
Nevada.....	350.30	517.40	591.70	68.9	14.4
New Hampshire.....	254.40	375.70	426.60	67.7	13.5
New Jersey.....	339.70	501.70	635.10	87.0	26.6
New Mexico.....	276.90	409.00	443.40	60.1	8.4
New York.....	359.20	530.50	726.00	102.1	36.9
North Carolina.....	189.60	280.00	284.60	50.1	1.6
North Dakota.....	241.80	357.10	412.80	70.7	15.6
Ohio.....	262.20	387.30	483.50	84.4	24.8
Oklahoma.....	222.40	328.50	378.00	70.0	15.1
Oregon.....	407.50	601.90	536.30	31.6	-10.9
Pennsylvania.....	247.20	365.10	421.00	70.3	15.3
Rhode Island.....	255.80	377.80	451.70	76.6	19.6
South Carolina.....	142.40	210.30	247.10	73.5	17.5
South Dakota.....	255.40	377.20	402.60	57.6	6.7
Tennessee.....	179.10	264.50	269.40	50.4	1.9
Texas.....	261.90	386.80	423.80	61.8	9.6
Utah.....	236.90	349.90	462.00	95.0	32.0
Vermont.....	206.20	304.60	377.20	82.9	23.8
Virginia.....	186.60	275.60	356.90	91.3	29.5
Washington.....	316.00	466.70	552.90	75.0	18.5
West Virginia.....	174.60	257.90	276.10	58.1	7.1
Wisconsin.....	269.90	398.60	546.30	102.4	37.1
Wyoming.....	300.80	444.30	583.20	93.9	31.3

Sources and notes: Figures for 1949-50 (col. 2) computed from: U.S. Department of Health, Education, and Welfare, Office of Education, "Statistics of State School Systems, 1949-50," Biennial Survey of Education in the United States, 1948-50. Washington, D.C.: Superintendent of Documents, Government Printing Office, 1952. Ch. 2, pp. 54 and 86.

Column 3 is based on column 2; figures are adjusted for price changes as reported by the Department of Commerce, Office of Business Economics, for the State and local government segment of the gross national product.

Column 4 is from: National Education Association, Research Division, "Estimates of School Statistics, 1960-61," Research Report 1960-R15. Washington, D.C.: the Association, December 1960, pp. 20 and 30.

Columns 5 and 6 computed by the NEA Research Division.

The problem of constructing enough buildings has been staggering, but the people have increased their annual investment in capital outlay and interest from \$1.1 billion in 1950 to \$3.3 billion in 1960,<sup>5</sup> an increase of 200 percent.

<sup>5</sup> Ibid.

In the past 10 years, we have constructed an estimated total of 594,000 new classrooms,<sup>6</sup> sufficient space to provide a brand new room for every teacher employed at the end of World War I. I doubt that any major public or private enterprise in modern times has ever expanded its physical plant as rapidly.

#### ON THE DEBIT SIDE

##### *Dropout rate*

On the other hand, whatever optimism we may have about progress in public education is tempered by the fact that less than 60 percent of our fifth-grade boys and girls stay in school through high school. Out of every three reaching the ninth grade, one fails to get his high school diploma.<sup>7</sup> A total of 929,000, or 17 percent, of the 16- and 17-year-old civilians were not enrolled in any school in the fall of 1959.<sup>8</sup>

These facts raise many questions about the adequacy of today's public elementary and secondary schools. Is the guidance program really adequate? Is the curriculum of program of studies broad enough to meet the present needs of America's children and youth? Is the quality of teachers and teaching equal to the demands of a rapidly changing society?

The obvious answer to these questions is "No." A 33-percent dropout rate is far too high. No one should assume that this 33 percent who quit in the 8th, 9th, 10th, and 11th grades are incapable of learning and thus not worth educating. Some may be, but not 3 to 4 in every 10.

##### *Failure on mental tests*

In nearly all the arguments for Federal support of education someone drags in the rate of failure on the Armed Forces mental test. However, since draft requirements have been raised in recent years because of technological developments in modern warfare, it might be well to consider these figures again. In 1959 approximately 25 percent of our young men who took the mental test given to Selective Service registrants did not pass it (see table 21.) The percentage was as high as 62 percent in one State and 50 percent or more in two others. In 10 States, one in every three registrants failed the mental test in 1959. These rates represent only draftees.

TABLE 21.—Percent of selective service registrants failing the mental test, 1959

1. Iowa -----	5.6	23. Alaska -----	18.2
2. Washington -----	5.7	24. Missouri -----	18.5
3. Minnesota -----	5.8	25. Nevada -----	18.6
4. Montana -----	6.6	26. Pennsylvania -----	19.3
5. Utah -----	7.0	27. Connecticut -----	20.5
6. Oregon -----	8.0	28. California -----	20.6
7. Idaho -----	8.2	29. Hawaii -----	21.4
8. Wyoming -----	8.7	30. New Mexico -----	21.4
9. South Dakota -----	9.2	31. Rhode Island -----	21.9
10. Kansas -----	10.1	32. Maryland -----	22.3
11. North Dakota -----	10.4	33. Illinois -----	24.5
12. Nebraska -----	10.8	34. Texas -----	24.6
13. Wisconsin -----	11.2	35. Arizona -----	25.2
14. Vermont -----	12.1	36. New York -----	25.3
15. New Hampshire -----	12.6	37. New Jersey -----	26.1
16. Colorado -----	12.7	38. West Virginia -----	27.6
17. Indiana -----	13.0	39. Delaware -----	28.9
18. Michigan -----	13.3	40. Tennessee -----	29.6
19. Oklahoma -----	13.3	41. Virginia -----	32.1
20. Ohio -----	15.7	42. Kentucky -----	35.6
21. Massachusetts -----	16.0	43. Georgia -----	38.2
22. Maine -----	16.1	44. Florida -----	40.0

<sup>6</sup> U.S. Department of Health, Education, and Welfare, Office of Education.

<sup>7</sup> U.S. Department of Health, Education, and Welfare, Office of Education, "Statistical Summary of Education: 1955-56," Biennial Survey of Education in the United States—1954-56. Washington, D.C.: Superintendent of Documents, Government Printing Office, 1959. Table 6, p. 13.

<sup>8</sup> U.S. Department of Commerce, Bureau of the Census, "School Enrollment: October 1959," Current Population Reports, Population Characteristics, Series P-20, No. 101. Washington, D.C.: the Bureau, May 22, 1960. Table 2, p. 8.

TABLE 21.—Percent of selective service registrants failing the mental test, 1959—Continued

45. North Carolina -----	40.9	48 States and District of Colum-	
46. Arkansas -----	43.8	bia-----	24.7
47. Alabama -----	45.0	Guam (including Mariana Is-	
48. Louisiana -----	50.0	lands)-----	34.6
49. Mississippi -----	53.4	Puerto Rico (including Canal	
50. South Carolina -----	61.9	Zone and Virgin Islands)----	9.9

Source: U.S. Department of the Army, Office of the Surgeon General, "Preinduction and Induction Examination Results, 1959," Health of the Army, 15: 1-10; February 1960, Table 2.

Some have raised a question as to whether there is a national interest in education. These figures indicate that if there isn't a national interest in education, there certainly should be.

Voting

Another entry on the debit side of the public education ledger is the failure of American citizens to exercise one of the first and most simple privileges and responsibilities of American citizenship—that of voting for the people who govern them. I am sure that all of you have seen the record of voting in the last presidential election, but I wonder if you have thought about your public schools in connection with this voting record. Over one-third of the people of voting age did not vote in the presidential election of 1960, and this record was one of the best in the history of the United States. This raises a question about the adequacy of the program of American history and the other social studies.

Unemployment

One of the major problems on the political scene at present is that of unemployment, and unemployment is a frequent bedfellow of inadequate levels of education. Those of you who know the coalfields of West Virginia and the southwestern part of Virginia know that most of those who have been unemployed for months and even years are those whose education stopped at the fifth, sixth, seventh, and eighth grades. The high school graduates in these areas have proved more flexible and have tended to move to other jobs. The superintendent of one county school system in West Virginia that has two high schools recently told me that not one single person who had graduated from his high schools in the past 3 years was still in the country.

Low education limits mobility and adaptability of workers. Low education was the characteristic most frequently associated with low-income families in a study by Lampman for the Joint Economic Committee. (See table 22.)

TABLE 22.—Importance of selected characteristics in future determination of low-income population

Characteristic  (1)	Percent of low-income population having this characteristic, 1957  (2)	Will numbers with characteristic increase or decrease with time  (3)	Degree to which persons having this characteristic are immune to economic growth  (4)
Low education.....	67	Decrease....	High.
Old age.....	25	Increase....	Do.
Nonwhite color.....	20	do.....	Low.
Female head-ship.....	25	No change....	High.
Disability.....	(1)	do.....	Do.
Large family size.....	33	do.....	Low.

<sup>1</sup> Not available.

Source: Lampman, Robert J., "The Low-Income Population and Economic Growth," study paper No. 12 prepared for the Joint Economic Committee, 86th Cong, 1st sess., Washington, D.C.: Superintendent of Documents, Government Printing Office, 1959. p. 29.

One by one the inadequacies in breadth and scope of the knowledge and skills the schools are teaching command the public's attention. The controversies not

infrequently reach this Congress in the form of a proposed program to do something immediately about them. It does no good to blast the schools today for inadequacies in the preparation of former public school pupils, although it may help to strengthen the curriculum for pupils now in school. There are the ones who will be in the manpower pool 1 to 12 or 16 years hence. These are the only ones the schools can do anything for. There is truly a need across the Nation now to offer the kind of education in the public schools which will be needed during the next generation. I regret to say that, to date, despite our substantial progress there is a strong tendency to set the curriculum and investment at levels of hindsight rather than foresight.

#### THE 1960'S—A DECADE OF TROUBLE

Certain opponents of Federal support for education of any type have been trying to convey the idea to the American people that we are over the hump in necessary school expansion. Statements, such as "the rate of increase in the 1950's will decrease in the 1960's" leave little room for comfort when the facts are examined carefully. Regardless of what anyone says, enrollments are still going up, and each year in the 1960's we will have more students in school than ever before.

#### *Further increases in enrollment*

Let's examine the facts. In the decade of the 1950's, the enrollment in the elementary and secondary schools increased 11 million. In the 1960's enrollment will go up another 8.1 million.<sup>9</sup> In fact, the enrollment will continue to increase at the rate of about 1.1 million each year through 1964-65, which is about the same annual increase as we have experienced over the past 10 years. The increase after 1964-65 should begin to drop to about 600,000 per year and continue at this level throughout the last half of this decade. The drop in the enrollment increase which is so comforting to some people is still 5 years off.

And we are not very certain about the drop in the last half of the coming decade; these children have not been born, much less counted. Furthermore, retention of more of the dropouts and expansion of the kindergarten grade could result in a far higher increase than that now expected in the 1960's.

On the assumption that we expect only 8.1 million more in the present decade, as compared with 11 million more in the last decade, the cost increase will still not follow the ratio of 8 to 11 because a much larger proportion of the 8.1 million than of the 11 million will be in high school grades where the average cost per pupil is 1.3 to 1.5 times as high. Enrollment in grades 9 through 12 increased only 2.6 million in the 1950's, but will increase 4 million in the 1960's. It is likely that the enrollment increase in this decade will prove more expensive than the increase in the past decade.

#### *Classroom teachers*

In 1958-59, classroom teachers employed in public schools totaled 1.3 million. According to the U.S. Office of Education, we will be employing 1.7 million by 1968-69 (these figures are for 48 States and the District of Columbia).<sup>10</sup> This means that in this 10-year period the number of teaching positions will increase by 400,000. If we include supervisors, principals, and other instructional personnel, the need will be even larger.

The figures above, however, show only part of the picture. To replace those leaving their positions in the decade just mentioned, we will find it necessary to recruit and employ 1.6 million teachers in this decade, more than the total instructional staff of public schools today. In addition, to take care of growing enrollment we will need 400,000 new teachers.<sup>11</sup> The new demand for classroom teachers is expected to average 200,000 a year.<sup>12</sup>

This presents a tremendous challenge considering the fact that at present colleges are producing only 129,000 teachers each year, of whom only 95,000,

<sup>9</sup> U.S. Department of Health, Education, and Welfare, Office of Education, "Projected Enrollments in Full-time Public and Nonpublic Elementary and Secondary Day Schools Assuming Continuation of 1955-57 Birth Rates, 50 States and District of Columbia: School Years 1958-59 to 1969-70," Washington, D.C.: the Office, Aug. 24, 1960, p. 1.

<sup>10</sup> U.S. Department of Health, Education, and Welfare, Office of Education, "National Goals in the Staffing and Construction of Public Elementary and Secondary Schools, 1959-1969," Washington, D.C.: the Office, April 1960, table 2, p. 16.

<sup>11</sup> *Ibid.*, table 4, p. 23.

<sup>12</sup> President's Commission on National Goals, "Goals for Americans." New York: American Assembly, Columbia University, 1960, p. 82.

or 73 percent, can be expected to actually go into teaching positions.<sup>13</sup> The only hope of getting qualified personnel is to attract back to teaching the hundreds of thousands who trained for teaching but never taught or who have left teaching for some other calling. A second possibility would be to persuade more of the students going to college to select teaching as a profession.

I would like to digress for a minute to mention the problem of emergency teachers, teachers who do not meet the regular licensing requirements of the various States. You may be interested to know that we now have more emergency teachers on the payroll than we had in 1950-51 (93,917 versus 75,079).<sup>14</sup> It is estimated that these teachers, half of whom do not have college degrees, are teaching approximately 2.5 million pupils each day. Certification standards differ from State to State. Also, many States in recent years have upgraded their standards for full certification.

The only way we can make a dent in the supply problem in the next 10 years is to reduce the turnover rate among teachers or to find some way of recruiting many more teachers than we have in the past.

In some of the States, teacher turnover is a staggering problem. For example, during the past 6 years, between 1954-55 and 1959-60, 9,183 teachers quit their jobs in West Virginia. This State has had an average teaching force during this period of 15,000. This means recruiting and orienting to their jobs about three-fifths of all teachers in West Virginia every 6 years. And the situation is becoming worse. In the first year of this 6-year sequence, 1954-55, 1,114 quit their jobs. In 1956-57 a total of 1,422 quit; in 1958-59, 1,462; in 1959-60, 1,824.<sup>15</sup> It might be well to mention that 6 years ago West Virginia's average teacher's salary was \$2,975.<sup>16</sup> In 1959-60, it was only \$3,825.<sup>17</sup>

#### *Competing for talented manpower*

One of the really difficult tasks of the current decade is to get salaries up to the point where the public schools can really compete for talented manpower. Almost everyone is in favor of paying teachers more, but we part ways when we begin to talk about who's going to pay the bill. Any realistic discussion of teachers' salaries should be based on the kinds of persons teachers really are. The American people, including many political leaders, still hold false stereotypes of teachers. This affects decisions on pay scales.

The typical teacher in the United States is no longer a sweet young thing in her early twenties who lives with her mother and father at no cost to herself. She is not a person with only 2 years of college training. Her working day is not a 6-hour arrangement, and she doesn't always have a 3-month vacation, even without pay.

This typical teacher in the American public school is both mature and well-educated. This person is about 43 years of age, has gone to college 4.7 years, and has taught school for 13 years.<sup>18</sup> One summer in three this teacher goes back to college at his or her own expense. During the school year this teacher averages a 45- to 50-hour week in teaching, grading papers, and planning work for the days ahead.<sup>19</sup> With this much college training and experience, and at an age when the worker should be getting somewhere, the typical teacher's salary is likely to be \$5,200.

Despite the improvement in salaries in recent years, we are not as well off in recruiting able people for teaching as we were in the 1920's, 1930's, and the 1940's. As teachers' salaries have gone up, so have salaries of other occupations which tend to attract potential teachers. Let's take a look at salaries for teaching where 46 percent have 4 years and 35 percent have 5 or more years of col-

<sup>13</sup> National Education Association, Research Division: "Teacher Supply and Demand in Public Schools, 1960," Research Report 1960-R7. Washington, D.C., the association, April 1960, p. 23.

<sup>14</sup> National Education Association, Research Division: "Estimates of School Statistics, 1960-61." Research Report 1960-R15. Washington, D.C., the association, December 1960, p. 12.

<sup>15</sup> West Virginia Education Association: "Teacher Turnover Continues To Be Critical." Charleston, the association, November 1960, p. 3.

<sup>16</sup> National Education Association, Research Division: "Advance Estimates of Public Elementary and Secondary Schools for the School Year 1954-55." Washington, D.C., the association, November 1954, table 7, p. 17.

<sup>17</sup> National Education Association, Research Division: "Estimates of School Statistics, 1960-61." Research Report 1960-R15. Washington, D.C., the association, December 1960, table 8, p. 26.

<sup>18</sup> National Education Association, Research Division, "The Status of the American Public-School Teacher," Research Bulletin 35: 43, 44, 46; February 1957.

<sup>19</sup> National Education Association, Research Division, "Teaching Load in 1950," Research Bulletin 29: 14; February 1951.

lege training. How does teaching compare with the other professions? The latest comparable figures we have are for 1958 and these are from the U.S. Bureau of the Census.

The average earnings of physicians, lawyers, and dentists was \$13,457. The average for engineers was \$9,647. The composite average for 17 professions requiring college graduation was \$9,439. The comparable figure for public-school teachers the same year was \$4,827.<sup>20</sup>

Persons in other professions not only start out with higher earnings, they are much farther ahead after 10 years on the job. Men engineers just out of college, for example, start at an average of \$6,120; accountants at \$5,352; sales personnel at \$5,280;<sup>21</sup> but teachers at only \$3,900.<sup>22</sup>

After 10 years the engineer is making 67 percent more than when he started; the accountant, 82 percent; the sales worker, 86 percent.<sup>23</sup> After 10 years of work in the classroom, the typical teacher's salary has gone up only 49 percent.<sup>24</sup>

In the years to come, it is going to become more and more difficult to recruit high-level college graduates at the salaries now paid. The U.S. Department of Labor has released some figures which have an interesting bearing on this point. These figures deal with the peculiar shape of the manpower supply during the decade of the 1960's.

According to the Department of Labor reports, the labor force of the United States will increase about 13.5 million workers during the 1960's. But let's look for a moment at the kinds of people who will make up this new labor supply. Approximately 47 percent, or about 1 in 2, will be youngsters under 24 years of age; 41 percent will be 45 years of age and older. This totals 88 percent of the new supply of labor in the next decade.<sup>25</sup>

As you well know, we get very few teachers from this top age bracket, and the number of beginners under 24 is getting smaller every year. Teachers simply do not start teaching as young as they used to. They stay in college longer, and the women are getting married and having children before they enter teaching.

Here are some other interesting facts on this increase in the labor supply during the next decade. Only 13 percent of these additional workers will be 25 to 34 years of age, and this is the group from which we have been getting the majority of our beginning teachers.

Believe it or not, there will be a decline in the number of workers 35 to 44 years of age. This is another important group for teaching, since the median age of teachers falls within this age bracket.

Thus, according to the Department of Labor, the low birth rates of the 1930's have given a sort of hourglass configuration to our population. We will have big increases at the bottom and at the top and a constriction in the middle. We are going to run into an increasing demand for a diminishing supply of certain kinds of workers. Business and industry are also going to be recruiting from the same group we are after. They will be employing more mature educated women to augment the short supply of experienced men. If teachers' salaries could be about doubled in the next 4 years, we would have an average salary of \$10,750, which still would be only about three-fourths of the average in 17 other professional occupations. About the only hope we have of reaching this average is through a third partner in financing education.

In my estimation, the problem of manpower in education, and I am talking about high-level manpower, is more crucial than that of buildings. I think most of us would agree that in our search for quality education, about 90 percent of all the quality we have ever had or ever will have comes through quality manpower.

### *Teachers' salaries*

As most of the members of this committee know, teachers' salaries vary widely both from State to State and within States. In a handful of the very wealthy districts, a teacher today can earn as much as \$10,000 per year. At the other

<sup>20</sup> Computed by the NEA Research Division from figures collected by the U.S. Bureau of the Census and reported in National Education Association, Research Division, "Economic Status of Teachers in 1959-60," Research Report 1960-R8. Washington, D.C., the Association, May 1960. 50 p.

<sup>21</sup> Endicott, Frank S. "Trends in the Employment of College and University Graduates in Business and Industries—1961." Evanston, Ill.: Northwestern University, 1961, p. 5.

<sup>22</sup> Based on NEA Research Division salary surveys and State minimum salary laws.

<sup>23</sup> Endicott, Frank S., op. cit., p. 5-6.

<sup>24</sup> Based on NEA Research Division salary surveys.

<sup>25</sup> U.S. Department of Labor, "Manpower—Challenge of the 1960's," Supplementary Statistics. Washington, D.C.: the Department, 1960. p. 9.



extreme, one of the border States still pays a few teachers as little as \$1,350 per year. In fact, several hundred teachers in this one State are in salary categories ranging from \$1,350 to \$1,899 per year. I am sure there are even lower salaries in one or two other States. The State minimum salary schedule in one State has several classes that begin at less than \$1,200.

Most people believe we need more men in the teaching profession. Although men tend to enter teaching in rather substantial numbers, many fail to stay in teaching. This claim was verified a few years ago in a nationwide study involving a sample of almost 6,000 teachers. The average experience of women in teaching was 6 or 7 years higher than that of men.<sup>26</sup>

In 1959, two researchers at Columbia University completed a very revealing comparison between men who stay in teaching and those who leave teaching for other kinds of work. This study was based on 10,000 men who had been tested during World War II for Air Force cadet training and who could be contacted in civilian life. Within the group 658 men were identified as schoolteachers, college teachers, principals, or superintendents in 1955. A few years later these teachers were queried again. Some of these men were teaching in 1959 and some had gone into other occupations. All these men had been 18 to 26 years of age when they entered the Air Force in 1943. In 1959, their ages ranged from 34 to 42. The median income of those who had left classroom teaching was more than 25 percent higher than those who had remained in teaching. Only 1 teacher in 247 had a monthly income of \$800. Of the former teachers, 20 percent had incomes this high. When college teachers were compared with the former college teachers, similar differences were found. Former college teachers were averaging 25 percent higher incomes than those who had returned to this field of work.<sup>27</sup>

The important point here is not that these men earn more money by leaving teaching positions, but the fact that on the whole those who left were a more able group than those who stayed. The battery of tests administered by the Air Force showed that those who left teaching were significantly superior to those who stayed in teaching in such important areas as reading comprehension, arithmetic, reasoning, and mathematics.

If we want to call a spade a spade, I think we might as well admit that for many years now we have been capitalizing on the fact that teaching, even at low salaries, could attract an adequate supply of well-educated women. Many other fields have not been open to them.

This situation is changing very rapidly. In 1900, 75 percent of all the women in professional occupations were in teaching; in 1950 only 43 percent of them were in teaching.<sup>28</sup> We no longer have a monopoly on the supply of well-educated women. The situation is becoming more competitive year after year. It is also important to realize that in the other professions the gap between the earnings of men and women is narrowing.

In this metropolitan area, secretaries 4 years out of high school now earn an average of \$4,600 a year—the figure which tops all but one district's salary in this area for beginning teachers with bachelor's degrees. There is no comparison between the responsibility levels of the teacher and those of the secretary. The secretary typically has one boss. The teacher has 30 or more demanding children and twice that many parents to satisfy, in addition to the principals and supervisors on the school staff. The first year of teaching is probably the most difficult one a teacher experiences. It is of no consolation to her that had she taken a secretarial course in high school and gone to work after high school graduation instead of going to college, she probably would be better off financially. A beginning teacher can earn \$4,800 in only one school district in this area. Five of the seven school districts in the area start beginning teachers at \$4,500.<sup>29</sup>

The most important thing that can be said about the manpower problem in education, however, is this: For the schools of the future we are going to need, and should demand, teachers of far greater ability than we have been getting

<sup>26</sup> National Education Association, Research Division, "The Status of the American Public-School Teacher," Research Bulletin 35: 16; February 1957.

<sup>27</sup> Thorndike, Robert L., and Hagen, Elizabeth. "Men Teachers and Ex-Teachers: Some Attitudes and Traits," Teachers College Record 62: 306-16; January 1961.

<sup>28</sup> Kaplan, David L., and Casey, M. Claire, "Occupational Trends in the United States, 1900 to 1950," Working Paper No. 5. Washington, D.C.: U.S. Department of Commerce, Bureau of the Census, 1958.

<sup>29</sup> National Education Association, Research Division, "Teachers' and Principals' 1960-61 Salary Schedules in D.C. Metropolitan Area," Research Memo 1960-33. Washington, D.C.: October 1960. 9 pages.

in the past decade. In the years since World War II, we have been employing just about anyone who could get a degree from just about any college. I think you know this as well as I do.

How are we going to get more persons from the upper half or upper third of the supply of well-educated manpower? By raising standards and salaries. Very soon we must begin to think very seriously about making the master's degree the basic requirement—for elementary- as well as secondary-school teachers. If it took 4 years of college education to teach the children of the 1930's, it is certainly logical to say that it should take 5 years of preparation to teach the children of the 1960's. Many schools are finding that the scientifically oriented youth is 'way ahead of many teachers in mastery of the things he is interested in. Knowledge and techniques are changing rapidly. We need the kind of staff which can meet the educational needs of the decades to come.

But we are not going to get such manpower at an average of \$5,215 per year—not when we are thinking of 5 or 6 instead of 4 years of college preparation, a median age of 43, and an experience level of 13 years. It will take starting salaries of \$5,000 to \$6,000 and an average of at least \$10,000 to compete for this superior manpower, and about the only hope of reaching such a level is through substantial help from the Federal Government.

#### *Housing needs*

Another perplexing problem of the 1960's is how to build the classrooms which are needed now and which will be required for the millions more pupils, one-half of whom are going to be in the secondary grades. Each of these secondary-school classrooms is going to be far more expensive to construct and equip than its counterpart in the elementary school.

For the past 5 years we have been building classrooms at the average rate of slightly less than 70,000 per year. This probably is an alltime record in school construction but, in effect, we have been running fast in order to stand still. Up until last year we were cutting away at the backlog of need at the rate of 8,000 to 10,000 rooms per year. It appears now that we are headed in the other direction. In the fall of 1959 the shortage was reported at 135,200 rooms; this fall the shortage is reported at 142,100 rooms. This shortage takes on added meaning when we hear that the number of pupils in excess of normal capacity of buildings is almost 2 million and that 685,000 are on curtailed or half-day sessions.<sup>30</sup> I am sure the Office of Education will provide further information on our progress and lack of progress in school housing.

But before leaving the point, I want to get into the record some figures we have collected on the present size of elementary-school classes. If there is any place in the educational hierarchy where classes should be small, it is in the elementary schools.

Every other year we ask a sample from the total of 3,631 urban school districts to report the sizes of all their elementary-school classes. In the last such study,<sup>31</sup> in the fall of 1959, 1,496 districts were asked to submit information, and 1,193, or 80 percent, did so. This is what we found about overcrowding in the elementary schools of communities with populations of 2,500 or more:

1. About 50 percent of all the pupils in these schools were in classes containing more than 30 pupils each; about 16 percent were in classes of 35 or more.

2. The median size of elementary classes in cities containing 500,000 or more persons was 33.

3. A total of 13,242 classes in the urban districts contained 40 or more pupils each. In these classes we had enrolled a total of 560,038 pupils.

4. 523 elementary-school classrooms contained 50 or more pupils each; 317 of these contained 55 or more pupils.

There has been much debate over the definition of a needed classroom. It is difficult to establish any standard pattern for reporting additional classrooms needed. On the other hand, the numbers in classes can be counted, and 35, 40, 45, 50, and 55 pupils per class certainly indicates the need for another room.

#### *Variation in classroom needs*

School construction needs are not uniformly distributed throughout the Nation. Nor do all school districts within a State have similar construction problems. Some areas, because of the nature of their population, have sufficient or

<sup>30</sup> U.S. Department of Health, Education, and Welfare, Office of Education, news release, Jan. 19, 1961.

<sup>31</sup> National Education Association, Research Division, "Class Size in Urban Elementary Schools, 1959-60," Research Rept. 1960-R10. Washington, D.C.: the association, June 1960. 24 pages.

even excess classroom facilities for the children they serve, while others, in rapidly expanding localities, are finding it more and more difficult to keep up with the increase in school population. Moreover, some areas have made valiant attempts, by voting special bond issues, to construct facilities as they were needed; in others, formidable constitutional barriers and lack of taxable wealth have made it impossible to keep pace with the growing needs.

As a result of these factors, money appropriated for school construction, in areas where construction is not really needed, would serve no useful purpose.

Data on classroom construction recently received by the U.S. Office of Education from the chief State school officers clearly illustrate this great variance in classroom needs. For example, in the fall of 1960, Indiana had 984,000 pupils; Florida, 979,000; and Georgia, 932,000. All had just under 1 million pupils each. However, when we look at the classroom shortage reported by these three States, we see that the need varies greatly. Indiana reported a need for only 1,321 classrooms, but Florida, a need for 4,744 classrooms, and Georgia, 3,714.<sup>32</sup>

Tennessee and Kentucky, which share a common border, also offer a vivid illustration of the variation in need for classrooms. Tennessee, with 795,000 enrolled in the fall of 1960, reported a need for only 2,984 classrooms, while its sister State, Kentucky, with 177,000 fewer students reported a need for 8,906 classrooms. Moreover, Tennessee reported 1,726 classrooms scheduled for completion during 1960-61, while Kentucky reported only 1,331.

As the members of the committee know, a very small proportion of our elementary school children still go to one-room schools. Nevertheless, we still have 23,700 of these schools providing the education for nearly 400,000 boys and girls. These young Americans are as important as any of the others; yet some of their buildings are a disgrace to this country. Almost 1 in 20 of these buildings is over 90 years old; two-thirds still lack inside plumbing; most of them are poorly equipped, inadequately staffed, and struggling against great odds to provide a decent atmosphere for school children.<sup>33</sup>

In my opinion, all this debate over the number of classrooms needed is mostly academic. About half were built in the past 10 years, and many of these are crowded. Little is known about the other half except that they are mostly more than 30 years old.

One only has to look around as he walks down the street of most of the cities and towns of the United States. He can see for himself that the need for building schools is still critical.

### *School dropouts*

Another problem that is going to cause serious trouble in the decade ahead is the large number of youth quitting school before high school graduation. Despite the present emphasis on programs for the talented, within a few years the schools are going to be on the receiving end of a lot of criticism over our failure to provide a program suitable for the underachiever, the retarded, the youth of below-average intelligence. These, by the way, are the characteristics of the majority of those who fail to finish high school. Many come from families who cannot give them any help.

To give you a little better understanding of this problem, let me describe some of the side effects of this problem which have many serious economic and social implications. As you know, the big bulge in enrollment is now moving out of the elementary school into and through the high school. At present we are losing approximately one-third of our youth between the ninth grade and high school graduation. If this rate continues, the one-third who will quit will greatly outnumber the 50 to 60 percent we were losing a few decades ago. It is estimated that within the next 10 years, 7½ million youths will quit school before completing the 12th grade.<sup>34</sup>

Specialists in the labor field tell us that these youngsters who quit school do not make very good workers. They have no skill to market, they are too young and immature to appreciate a job and stick to it, and they can't demand a wage that will support a reasonable standard of living. All this adds up to the most disgruntled, disillusioned, and unsatisfactory group of workers in America. In addition, more and more of them are having a difficult time finding any kind of employment. The unemployment rate among those failing to finish high

<sup>32</sup> U.S. Department of Health, Education, and Welfare, Office of Education, op. cit.

<sup>33</sup> National Education Association, research division, "One-Teacher Schools Today," Research Monograph 1960-M1, Washington, D.C., the association, June 1960, 75 pages.

<sup>34</sup> U.S. Department of Labor, "Manpower Challenge of the 1960's," Washington, D.C., the Department, 1960, p. 16.

school is almost double that of those who do finish, and 3.5 times the rate of those who have had some college education.<sup>26</sup>

The problem is already serious, but is going to become far more serious in the decade ahead unless we act now. The number of jobs available to unskilled persons is decreasing year after year, but the number of people to fill them is increasing rapidly. In a few years there will be nothing for many thousands of them to do. Before long, these boys and girls will constitute an almost impossible burden on the resources of welfare, relief, and unemployment agencies and on the juvenile courts.

In the long run it may be cheaper to educate these boys and girls than to support the costs of the side effects. The type of education which will help to solve the problem, however, is likely to prove expensive: smaller classes in elementary schools, special classes and schools at the high school level, more counseling, broader and more adequate programs, and specially trained teachers. The bill under consideration by this committee would certainly help in making some of these changes.

#### *An increasing and moving population*

Another very important and dramatic problem that should be considered in this discussion is the plight of the major metropolitan areas of the United States. The problems they face in education are staggering. These areas are already in serious financial trouble, but the present problems are small compared with what they are going to be in the next two or three decades.

In a recent article in the *Monthly Review*, published by the Atlanta Federal Reserve Bank, Earle L. Rauber, vice president and director of research of the bank, pointed out some very interesting facts about the growth of our population. He said the population of the United States in 1975 will be about 222 million, a growth of 70 million in the 25 years since 1950. If present trends continue, this increase will be distributed so as to create the maximum of problems:

"At present, 85 percent of the increase in population is going into the 168 metropolitan areas defined by the census. If this trend continues, the metropolitan population of this country will grow by some 60 million between 1950 and 1975. Do you have any idea of what this increase means? It means that it will increase by the equivalent of another 1950 New York-northern New Jersey area; another Boston area; another Philadelphia; a Washington; a Baltimore; a Buffalo; a Pittsburgh; a Cleveland; a Chicago; a Detroit; a St. Louis; a Minneapolis-St. Paul; a Los Angeles and a San Francisco area. In addition, there will remain 15 million to be spread among the smaller metropolitan areas. Indeed, if present trends continue, 71 percent of the increase in the metropolitan population will go precisely into the 14 areas just mentioned."<sup>27</sup>

Dr. George C. Smith, vice president and economist of the F. W. Dodge Corp., quoted in the same article, described the problem of our growing population in even more dramatic terms. He said that it will be necessary to build a "second United States" within the next 40 years.

"Every house, every building, every factory, every tool, every machine, every facility of every sort will have to be duplicated by then, besides maintaining those we already have at their present efficiency. Why? For the simple reason that in 40 years two persons will be living in this country for every one living here now."<sup>28</sup>

I regret that Dr. Smith did not include in his list another teacher, another classroom, another schoolbus, another textbook for every one we have today. This will also be true.

Neither of these authorities singled out the unique problems of the existing urban centers of the great metropolitan areas. In the past 10 years, the 20 cities that are now the largest increased only 3.3 percent in population, while their suburban fringes increased 56 percent. But while the total population in the big central cities was increasing only 3.3 percent, their school enrollments went up 22.4 percent. (See table 23.)

<sup>26</sup> Ibid., p. 17.

<sup>27</sup> Rauber, Earle L., "Walking the Dog," *Monthly Review* (Atlanta Federal Reserve Bank), January 1960, p. 3.

<sup>28</sup> Ibid.

TABLE 23.—Public school enrollment and related figures, 20 largest cities

City	Public school enrollments		Percent of increase, past 10 years			
	1959-60	1949-50	School enrollments, 1949-50 to 1959-60	Population, 1950 to 1960	Total effective buying income, 1950 to 1960	Per capita effective buying income, 1950 to 1960
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1. New York, N.Y.....	977,541	916,512	+6.7	-1.4	+29.1	+31.0
2. Chicago, Ill.....	531,064	402,252	+32.0	-1.0	+38.2	+40.9
3. Los Angeles, Calif.....	516,812	372,318	+38.9	+25.8	+56.6	+24.5
4. Philadelphia, Pa.....	237,476	239,371	-.8	-3.3	+17.7	+21.8
5. Detroit, Mich.....	278,428	247,819	+12.4	-9.7	+48.0	+63.9
6. Baltimore, Md.....	163,238	124,259	+31.4	-1.1	+21.6	+22.9
7. Houston, Tex.....	168,282	95,385	+76.4	+57.4	+87.6	+19.2
8. Cleveland, Ohio.....	132,242	107,728	+22.8	-4.2	+34.1	+40.0
9. Washington, D.C.....	117,884	97,564	+20.8	-4.8	+45.9	+53.2
10. St. Louis, Mo.....	101,066	97,152	+4.0	-12.5	+15.4	+31.9
11. San Francisco, Calif.....	90,161	76,248	+18.2	-4.2	+24.0	+29.4
12. Milwaukee, Wis.....	102,438	68,889	+48.7	+16.3	+45.6	+25.2
13. Boston, Mass.....	95,415	99,724	-4.3	-13.0	+24.9	+43.6
14. Dallas, Tex.....	127,721	61,734	+106.9	+56.4	+70.7	+9.1
15. New Orleans, La.....	91,115	64,069	+42.2	+10.0	+25.1	+13.7
16. Pittsburgh, Pa.....	70,744	70,056	+1.0	-10.7	+17.1	+31.1
17. San Antonio, Tex.....	70,250	49,068	+43.2	+43.9	+58.5	+10.2
18. San Diego, Calif.....	99,788	49,477	+101.7	+71.4	+152.6	+47.3
19. Seattle, Wash.....	90,206	63,854	+41.3	+19.1	+43.9	+20.8
20. Buffalo, N.Y.....	68,173	70,107	-2.8	-8.2	+42.5	+55.2
Total.....	4,130,044	3,373,449	+22.4	+3.3	+36.5	+32.2
U.S. total.....	36,037,937	25,111,427	+43.5	+18.5	+73.9	+46.7

SOURCES

Col. 2, cities: American Book Co. calendar for 1961.  
Col. 2, U.S. total: National Education Association, Research Division, "Estimates of School Statistics, 1960-61," Research Report 1960-R15, Washington, D.C., the association, December 1960, p. 20.  
Col. 3, cities: U.S. Department of Health, Education, and Welfare, Office of Education, "Statistics of City School Systems," Biennial Survey of Education, 1948-50, Washington, D.C., Superintendent of Documents, Government Printing Office, 1953, ch. 3, pp. 24-28.  
Col. 3, U.S. total: U.S. Department of Health, Education, and Welfare, Office of Education, "Statistics of State School Systems," Biennial Survey of Education, 1948-50. Washington, D.C., Superintendent of Documents, Government Printing Office, 1952, ch. 2, p. 46.  
Col. 4: Computed by NEA Research Division from figures in cols. 2 and 3.  
Col. 5: Computed by NEA Research Division from final population figures from the U.S. Bureau of the Census. Central cities from press release dated Dec. 6, 1960, entitled "Cities of 100,000 Inhabitants or More, Apr. 1, 1960"; metropolitan areas from release dated December 1960 entitled "Final 1960 Census Population Counts for Standard Metropolitan Statistical Areas" and 1960 Census of Population, PC(A1)-1, p. 3.  
Col. 6: Computed by NEA Research Division from "Survey of Buying Power," Sales Management, May 10, 1950, and July 10, 1960.  
Col. 7: Computed by NEA Research Division from sources reported for cols. 5 and 6.

Research and development

The provisions of S. 1021 make available \$6,660,000, or 10 percent of the total allotment to the States, to be used for pilot, demonstration, and experimental projects designed to meet educational problems, or to develop or evaluate educational programs, of a special or unique nature. According to figures credited to the National Science Foundation, the Federal Government provided about \$7 billion of the \$12.4 billion the total economy spent for research and development in 1959-60.<sup>38</sup>

According to Dexter M. Keezer, of the \$7 billion of Federal funds for research, \$6 billion is in some way connected with the defense program.<sup>39</sup> Research in this area has been necessary and wise, in my opinion, but let us contrast the research investment in education. According to the former Commissioner of Education, Lawrence G. Derthick: "Research in education has been meager, however, con-

<sup>38</sup> National Industrial Conference Board, "Research and Development," Road Map of Industry, No. 1256, New York: the Conference Board, 1960, 2 pages.  
<sup>39</sup> Keezer, Dexter M., "The Outlook for Expenditures on Research and Development During the Next Decade," American Economic Review 50: 359; May 1960.

trusted to other fields. It has been estimated that less than one-tenth of 1 percent of the more than \$20 billion a year spent in this country on education goes into research."<sup>40</sup>

We cannot hope to improve our schools unless funds for research go into the budgets of State education departments and school districts. If we are to educate pupils now in school better than the generations which have passed through school, expenditures for research have a high priority along with funds for teachers' salaries and facilities.

#### FINANCING PUBLIC SCHOOLS IN THE 1960'S

As I pointed out earlier in my testimony, the costs of public schools increased from \$5.8 billion in fiscal 1950 to \$15.3 billion in fiscal 1960. And this was a remarkable achievement. Now let us look for a minute at what schools are likely to cost us in 1970. At the present rate of growth and expansion the annual outlay for public schools will probably reach \$30 billion by 1970. The costs could be considerably more, but several responsible groups, including President Eisenhower's Commission on National Goals, have estimated that costs in the coming decade should be at least double,<sup>41</sup> and I am talking in terms of constant dollars.

Few people in this country fully realize what a tremendous load this \$30 billion is going to be on local and State revenue programs. Ten years from now public elementary and secondary schools will be costing two-thirds as much as national defense is costing now.<sup>42</sup> In another decade these schools will be requiring as much revenue as all State and local services, including education, cost in 1959.

*Possibilities of the general property tax.*—Can the old reliable property tax continue to carry over half of this additional load? Can a tax geared to the productivity of an agricultural economy cope with the needs of an exploding urban and industrial society? The present levels of property taxes are high.

I wonder if you know that property tax collections in 1959 amounted to \$130 per capita in California and New Jersey, and a whopping \$133 in Massachusetts. In 1959, property taxes exceeded \$100 per capita in 15 States.<sup>43</sup> They are going higher all the time.

Let's look at property taxes another way. In 1959 the people of South Dakota were paying out in property taxes \$6.82 of each \$100 of personal income; in Montana, property taxes amounted to \$6.41 per \$100 of personal income; in North Dakota, the figure was \$6.09; and in Kansas, \$5.99.<sup>44</sup> Property taxes for the country as a whole now amount to almost 4 percent of personal income payments.

Those who have studied the problem can see trouble ahead in some sections of the country. Increased resistance to further property tax increases is bound to come in New England and the Midwest. See table 7 for information by State.

*Possibilities of additional State revenue.*—In recent years the States have been carrying about 40 percent of the cost of public schools.<sup>45</sup> I wonder if we can look to 1970 and predict whether the growing variety of State taxes can continue to carry two-fifths of the cost of public elementary and secondary schools.

Where local taxes are low, State taxes are usually correspondingly high. This is not always true, but if you will examine the levels of State and local taxes, you will find a large degree of inverse relationships.

In 1959, State taxes in the State of Washington amounted to \$148 per capita, in Delaware \$149, and in Hawaii \$170. Even in the low-income State of Louisiana, State taxes amounted to \$137 per capita. In the fiscal year 1959, State taxes amounted to over \$100 per capita in 15 States. The national average in 1959 was \$91 per capita.<sup>46</sup>

<sup>40</sup> Derthick, Lawrence G., "Dimensions for Progress," *Annals of the American Academy of Political and Social Science* 325: 84; September 1959.

<sup>41</sup> President's Commission on National Goals, "Goals for Americans," New York: The American Assembly, Columbia University, 1960, p. 7.

<sup>42</sup> Executive Office of the President, Bureau of the Budget, "Budget of the U.S. Government, 1961," Special Analysis G.

<sup>43</sup> U.S. Department of Commerce, Bureau of the Census, "Governmental Finances in 1959," G-GF59-No. 2. Washington, D.C.: the Bureau, Sept. 30, 1960, p. 26.

<sup>44</sup> *Ibid.*, p. 25, 37.

<sup>45</sup> National Education Association, Research Division, "Estimates of School Statistics, 1960-61," Research Report 1960-R15. Washington, D.C.: the association, December 1960, p. 28.

<sup>46</sup> U.S. Department of Commerce, Bureau of the Census. *Compendium of State Government Finances in 1959*. Washington, D.C.: Superintendent of Documents, Government Printing Office, 1960, pp. 49-50.



Let's look at these State taxes in relation to ability to pay. When related to income payments, the levels of State taxes have more meaning. These taxes in 1959 amounted to \$8.64 per \$100 of personal income in Hawaii. In the States of Louisiana and Mississippi, State taxes amounted to \$8.37 and \$7.24 per \$100 of personal income. For the country as a whole, these taxes required 4.2 percent of our personal income payments.<sup>47</sup> And don't forget these figures are for fiscal 1959; they have gone up since then. For information on all States, see table 7.

Let me digress for a minute to show you what happened between fiscal 1959 and 1960. In the fiscal year 1960, State tax collections totaled \$18 billion, up 14 percent over 1959. This rise of \$2.2 billion in the past year is more than twice the rise from fiscal 1958 to fiscal 1959. It is also double the average annual increase over the past decade. At least five States increased their State tax collections by 20 percent or more between fiscal 1959 and 1960. These include Ohio, up 21 percent; South Carolina, up 21 percent; Utah, up 24 percent; New York, up 24 percent; and Arizona, up 27 percent.<sup>48</sup> Early reports of collections during this fiscal year indicate that collections to date in many States are disappointing primarily because of the effects of the recession.<sup>49</sup>

*Local and State taxes combined.*—Since the support of public education is a cooperative enterprise largely of local and State governments, the only way to make sense out of this picture is to put all State and local taxes together and see how the overall problem looks.

Here are some interesting statistics: State and local taxes combined for the year 1959 amounted to \$265 per capita in California, \$253 in New York, and \$245 in Nevada. We now have 13 States where the combined State and local tax load amounts to over \$200 per person in the population. In addition to the three mentioned are Colorado, Connecticut, Kansas, Massachusetts, Minnesota, Montana, Oregon, Vermont, Washington, and Wyoming.<sup>50</sup>

We should also take a look at this combined taxload in relation to income payments, since income is the source from which taxes are paid. The total load is heaviest in South Dakota, where State and local taxes in 1959 amounted to \$12.28 per \$100 of personal income. Other States where State and local taxes amounted to over 10 percent of personal income include North Dakota, \$12.01 per \$100 of income; Vermont, \$11.31; Louisiana, \$11.24; Montana, \$10.90; Kansas, \$10.68; Mississippi, \$10.57; Minnesota, \$10.32; and Wyoming, \$10.10.<sup>51</sup> Figures for all States are given in table 24.

<sup>47</sup> Computed by the NEA Research Division on the basis of: U.S. Department of Commerce, Bureau of the Census, *Compendium of State Government Finances in 1959*, G-SF59-No. 2. Washington, D.C.: Superintendent of Documents, Government Printing Office, 1960, p. 11. Office of Business Economics, *Survey of Current Business* 40: 17; August 1960.

<sup>48</sup> U.S. Department of Commerce, Bureau of the Census, *State Tax Collections, 1960*, G-SF60-No. 3. Washington, D.C.: the Bureau, Aug. 26, 1960.

<sup>49</sup> Burnham, Daniel M. "States' Squeeze: Recession Reduces Tax Revenue, Lifts Outlays: Higher Levies Likely." *Wall Street Journal*, Dec. 14, 1960, p. 1.

<sup>50</sup> U.S. Department of Commerce, Bureau of the Census, "Governmental Finances in 1959," *op. cit.*, p. 26.

<sup>51</sup> Tax revenue in relation to personal income was computed by the NEA Research Division.



TABLE 24.—State and local tax collections per \$100 of personal income, 1959

State  (1)	State tax collections per \$100 of personal income  (2)	Total prop- erty tax collections per \$100 of personal income  (3)	Total State and local tax collections per \$100 of personal income  (4)
U.S. average.....	<sup>1</sup> \$4. 20	<sup>2</sup> \$3. 93	<sup>2</sup> \$8. 49
Alabama.....	5. 35	1. 58	7. 71
Alaska.....	4. 32	1. 29	6. 08
Arizona.....	5. 11	4. 80	9. 62
Arkansas.....	6. 30	2. 46	8. 98
California.....	4. 44	4. 67	9. 50
Colorado.....	4. 89	5. 04	9. 99
Connecticut.....	3. 17	3. 85	7. 06
Delaware.....	5. 16	1. 32	6. 45
District of Columbia.....		2. 47	7. 03
Florida.....	5. 09	3. 33	9. 04
Georgia.....	5. 55	2. 53	8. 42
Hawaii.....	8. 64		
Idaho.....	4. 85	4. 85	9. 65
Illinois.....	2. 89	3. 50	6. 98
Indiana.....	3. 91	4. 26	8. 05
Iowa.....	4. 65	5. 11	9. 80
Kansas.....	4. 70	5. 99	10. 68
Kentucky.....	4. 69	2. 75	7. 59
Louisiana.....	8. 37	2. 51	11. 24
Maine.....	4. 74	4. 77	9. 48
Maryland.....	4. 38	3. 28	7. 87
Massachusetts.....	3. 88	5. 33	9. 31
Michigan.....	4. 61	4. 53	8. 95
Minnesota.....	4. 71	5. 72	10. 32
Mississippi.....	7. 24	2. 90	10. 57
Missouri.....	3. 13	2. 97	6. 60
Montana.....	4. 58	6. 41	10. 90
Nebraska.....	3. 05	5. 64	8. 20
Nevada.....	5. 15	3. 38	9. 11
New Hampshire.....	3. 16	5. 23	8. 28
New Jersey.....	2. 18	4. 98	7. 67
New Mexico.....	6. 75	2. 17	9. 09
New York.....	3. 52	4. 55	9. 24
North Carolina.....	5. 87	2. 32	8. 16
North Dakota.....	6. 03	6. 09	12. 01
Ohio.....	3. 27	3. 65	7. 09
Oklahoma.....	6. 19	2. 91	9. 28
Oregon.....	4. 59	4. 59	9. 40
Pennsylvania.....	3. 65	2. 67	7. 25
Rhode Island.....	4. 31	4. 09	8. 50
South Carolina.....	6. 18	2. 01	8. 37
South Dakota.....	4. 94	6. 82	12. 28
Tennessee.....	5. 24	2. 54	8. 17
Texas.....	3. 90	3. 76	7. 76
Utah.....	5. 12	4. 10	9. 39
Vermont.....	5. 60	5. 50	11. 31
Virginia.....	3. 83	2. 66	6. 97
Washington.....	6. 57	2. 82	9. 51
West Virginia.....	5. 29	2. 20	7. 83
Wisconsin.....	4. 63	5. 13	9. 54
Wyoming.....	5. 31	5. 53	10. 10

<sup>1</sup> 50 States.  
<sup>2</sup> 49 States and District of Columbia.

Sources of basic data: U.S. Department of Commerce, Bureau of the Census, "Compendium of State Government Finances in 1959," G-SF59-No. 2. Washington, D.C.: Superintendent of Documents, Government Printing Office, 1960, p. 11.  
U.S. Department of Commerce, Bureau of the Census, "Governmental Finances in 1959," G-GF59-No. 2. Washington, D.C.: Superintendent of Documents, Government Printing Office, Sept. 30, 1960. pp. 25, 26, 37.

Many of us have been so concerned about the high level of Federal taxation that we have missed what has been happening in the past few years at the State and local levels. State and local tax revenues combined doubled between the years 1950 and 1958, and the total has gone much higher since 1958. If you take a close look at State and local tax collections per \$100 of personal income, you will realize that they are beginning to look more like the bite of the Federal income tax than like that of the traditionally modest State and local taxes.

Of course, this does not mean that some States could not do more, but all of them will have to do a great deal more, even with increased Federal assistance, to meet the growing demands of public education.

I think we should note in passing that some of the States putting forth the greatest overall tax effort at State and local levels still have the most inadequate schools in the country.

A few months ago we received a research report from the Tax Foundation that surprised all of us. I think it will surprise you, too. It showed calculations of the average tax burden by level of family income. It showed the impact of all taxes, of Federal taxes, and of local and State taxes combined. The Federal tax burden, as a percent of family income, went up as the family income increased, but the opposite was true of the State-local tax burden.

For example, the Federal tax burden on a family income of \$1,454 was 15.7 percent; on an income of \$8,160, it was 17.2 percent. However, the State-local tax burden on a family income of \$1,454 was 12.6 percent, but on an income of \$8,160 it was only 8.5 percent. The total impact of Federal, State, and local taxation is regressive until we reach incomes running into five figures. For example, the total tax burden on a family income of \$1,454 was 28.3 percent, but on an income of \$8,160 it was only 25.7 percent. (See table 25.)

TABLE 25.—Average tax burden per family, by level of income, 1958

Total income per family <sup>1</sup>	Average tax burden per family <sup>2</sup>					
	Total		Federal		State and local	
	Amount	Percent	Amount	Percent	Amount	Percent
(1)	(2)	(3)	(4)	(5)	(6)	(7)
\$1,454.....	\$412	28.3	\$229	15.7	\$183	12.6
\$3,751.....	986	26.3	595	15.9	391	10.4
\$5,934.....	1,535	25.9	972	16.4	563	9.5
\$8,160.....	2,097	25.7	1,407	17.2	690	8.5
\$10,250.....	2,454	23.9	1,656	16.2	798	7.8
\$13,868.....	3,332	24.0	2,382	17.2	950	6.9
\$32,284.....	11,576	35.9	9,615	29.8	1,961	6.1

<sup>1</sup> Total income corresponding to net national product. Income figures are averages for income classes.

<sup>2</sup> Includes social insurance taxes.

Source: Tax Foundation, "Allocation of the Tax Burden by Income Class." Project note No. 45. New York: The Foundation, 1960, table 6, p. 13.

The important point in this story is that State and local taxes have become more steeply regressive than Federal taxes have been progressive. The result is that the total tax burden including social insurance taxes is regressive on family incomes up to those of five digits. Excluding social insurance taxes, the Federal, State, and local taxes combined have a proportional impact in incomes under \$5,000.

What are the elements in this regressiveness of the present State-local tax structure that are throwing the total tax structure into such a peculiar pattern?

One item is the general property tax, the mainstay of school support. This is one of the most regressive of all taxes. This tax hits incomes under \$2,000 almost three times as hard, percentagewise, as it does the incomes of \$15,000 and over. Of course, the sales and excise taxes are also regressive, but they are not as steeply regressive as the property tax. (See table 26.)

TABLE 26.—*Taxes as a percentage of total income, by source and by income class, calendar 1958*

Source  (1)	Family personal income class							Total  (9)
	Under \$2,000 (2)	\$2,000 to \$3,999 (3)	\$4,000 to \$5,999 (4)	\$6,000 to \$7,999 (5)	\$8,000 to \$9,999 (6)	\$10,000 to \$14,999 (7)	\$15,000 and over (8)	
Total taxes, excluding social insurance.....	21.0	20.4	20.6	21.6	20.6	21.6	34.4	23.7
Total taxes, including social insurance.....	28.3	26.3	25.9	25.7	23.9	24.0	35.9	27.4
Federal taxes:								
Individual income.....	1.8	4.5	6.0	7.9	7.5	8.9	16.3	8.7
Corporate.....	3.8	3.2	3.0	3.0	3.0	3.6	8.8	4.3
Excise and customs.....	4.0	3.3	3.1	3.0	2.9	2.7	1.8	2.8
Estate and gift.....							1.7	.3
Total, excluding social insurance.....	9.6	11.0	12.1	13.9	13.4	15.1	28.6	16.1
Social insurance.....	6.1	4.9	4.3	3.3	2.7	2.0	1.2	3.1
Total, including social insurance.....	15.7	15.9	16.4	17.2	16.2	17.2	29.8	19.2
State and local taxes:								
Individual income.....	.5	.8	.6	.2	.2	.3	.7	.5
Corporate income.....	.2	.2	.1	.1	.2	.2	.4	.2
Excise and sales.....	4.8	3.9	3.7	3.6	3.5	3.2	2.1	3.3
Estate and gift.....							.5	.1
Property.....	5.9	4.6	4.1	3.7	3.4	2.8	2.1	3.5
Total, excluding social insurance.....	11.3	9.4	8.5	7.7	7.2	6.5	5.9	7.5
Social insurance.....	1.3	1.0	.9	.8	.6	.4	.2	.7
Total, including social insurance.....	12.6	10.4	9.5	8.5	7.8	6.9	6.1	8.2

Source: Tax foundation, "Allocation of the Tax Burden by Income Class." Project Note No. 45. New York: the Foundation, 1960, table 10, p. 17.

These conditions, it seems to me, fully justify the use of the Federal tax structure for meeting part of the increasing cost of education. It is very difficult to see how we are going to absorb all the additional cost of education over the current decade in a State-local tax system that is already steeply regressive and likely to become more so in the years ahead.

#### WHAT THE BILL WILL DO FOR PUBLIC SCHOOLS

Passage of S. 1021 will help the States and their local school districts to improve public education. If the bill passes, for the first time we will have Federal grants which can be used to strengthen the entire public school enterprise. Whereas in the past, Federal aid has been confined to school-lunch programs, more high-school science equipment, or more extensive testing programs, and other special programs, this time 2d-grade reading, 4th-grade arithmetic, 6th-grade geography, and 10th-grade English will get a much needed shot in the arm.

During the first year this bill will provide approximately \$600 million additional funds that can be used for either teachers' salaries or school construction or for both. This would be approximately 5.3 percent above the estimated amount we are spending for these purposes in 1960-61. The allotments rise in the third year because more children will be in school. Although the increase is modest in terms of the needs, these Federal funds can mean the difference between progress and standing still. Table 27 compares State-by-State allocations under the bill with present estimated expenditures for salaries and construction.

TABLE 27.—*Teachers' salaries and school construction: Approximate allocations under S. 1021 for 1960-61 and 1962-63, estimated expenditures in 1960-61, and allocations under S. 1021 as percent of 1960-61 expenditures*

State  (1)	Expenditures for salaries of instructional staff and capital outlay, 1960-61 <sup>1</sup>  (2)	90 percent of State allotment under S. 1021 for 1961-62  (3)	Percent of increase in expenditures for salaries and construction in 1961-62 above amount spent in 1960-61  (4)	State allotment, under S. 1021 for 1963-64, less amount equal to 10 percent of allotment for 1961-62  (5)
U.S. total.....	\$11, 410, 358, 643	\$599, 400, 000	5.3	\$799, 400, 000
Alabama.....	132, 930, 000	17, 722, 523	13.3	23, 358, 285
Alaska.....	16, 832, 000	499, 500	3.0	694, 500
Arizona.....	109, 053, 780	5, 634, 248	5.2	8, 417, 856
Arkansas.....	67, 770, 000	9, 484, 960	14.0	12, 047, 906
California.....	1, 460, 110, 000	47, 459, 989	3.3	71, 140, 801
Colorado.....	139, 300, 000	6, 441, 458	4.6	9, 358, 798
Connecticut.....	176, 916, 250	5, 940, 000	3.4	6, 645, 000
Delaware.....	34, 880, 200	1, 039, 500	3.0	1, 174, 500
District of Columbia.....	35, 651, 625	1, 458, 000	4.1	1, 473, 000
Florida.....	313, 220, 600	17, 208, 871	5.5	26, 208, 367
Georgia.....	176, 979, 000	19, 812, 822	11.2	26, 658, 306
Hawaii.....	35, 570, 000	2, 809, 130	7.9	3, 973, 706
Idaho.....	39, 538, 125	3, 384, 651	8.6	4, 496, 321
Illinois.....	643, 241, 000	20, 979, 000	3.3	22, 449, 000
Indiana.....	282, 912, 000	15, 260, 876	5.4	20, 621, 367
Iowa.....	172, 018, 164	10, 152, 411	5.9	13, 552, 429
Kansas.....	155, 589, 250	8, 501, 326	5.5	11, 669, 131
Kentucky.....	130, 663, 510	13, 125, 498	10.0	17, 100, 226
Louisiana.....	204, 378, 250	13, 530, 896	6.6	18, 493, 743
Maine.....	40, 770, 500	3, 713, 333	9.1	4, 913, 853
Maryland.....	216, 983, 150	8, 079, 003	3.7	11, 732, 188
Massachusetts.....	296, 552, 000	10, 611, 000	3.6	12, 094, 515
Michigan.....	626, 153, 000	24, 363, 228	3.9	34, 443, 130
Minnesota.....	242, 552, 000	11, 756, 643	4.8	16, 138, 759
Mississippi.....	98, 352, 000	13, 218, 871	13.4	16, 096, 781
Missouri.....	207, 344, 000	11, 022, 127	5.3	14, 571, 248
Montana.....	45, 715, 250	2, 627, 111	5.7	3, 628, 200
Nebraska.....	76, 002, 900	4, 789, 133	6.3	6, 380, 290
Nevada.....	24, 904, 000	857, 047	3.4	1, 316, 132
New Hampshire.....	31, 086, 278	1, 560, 796	5.0	2, 164, 541
New Jersey.....	408, 094, 750	12, 960, 000	3.2	14, 115, 000
New Mexico.....	70, 613, 500	4, 747, 675	6.7	6, 774, 518
New York.....	1, 198, 640, 000	33, 885, 000	2.8	35, 970, 000
North Carolina.....	234, 340, 000	25, 114, 937	10.7	33, 352, 014
North Dakota.....	37, 000, 000	2, 790, 060	7.5	3, 659, 483
Ohio.....	623, 780, 470	25, 862, 389	4.1	36, 157, 769
Oklahoma.....	138, 020, 000	10, 756, 654	7.8	14, 204, 926
Oregon.....	131, 909, 600	6, 386, 259	4.8	8, 892, 097
Pennsylvania.....	474, 475, 500	24, 192, 000	5.1	32, 254, 097
Rhode Island.....	40, 428, 000	1, 620, 000	4.0	1, 794, 787
South Carolina.....	96, 521, 125	13, 705, 610	14.2	18, 253, 595
South Dakota.....	40, 356, 250	2, 935, 851	7.3	3, 969, 040
Tennessee.....	157, 372, 410	17, 588, 597	11.2	23, 436, 557
Texas.....	545, 753, 250	36, 236, 436	6.6	50, 412, 352
Utah.....	71, 950, 400	5, 200, 764	7.2	7, 085, 080
Vermont.....	19, 208, 525	1, 313, 991	6.8	1, 681, 852
Virginia.....	211, 650, 000	16, 061, 484	7.6	21, 961, 889
Washington.....	226, 278, 750	10, 267, 536	4.5	14, 426, 456
West Virginia.....	80, 442, 500	9, 592, 979	11.9	12, 377, 367
Wisconsin.....	247, 837, 500	10, 453, 511	4.2	14, 489, 431
Wyoming.....	30, 338, 800	1, 387, 221	4.6	1, 911, 244
Outlying areas:				
Guam.....	2, 768, 680	326, 772	11.8	531, 377
Puerto Rico.....	46, 080, 200	12, 819, 506	27.8	18, 480, 065
Virgin Islands.....	1, 211, 400	150, 818	12.4	196, 125

<sup>1</sup> Estimated by the NEA Research Division. Data shown are estimated figures for teachers salaries and capital outlay. For comparative purposes, capital outlay is assumed to be roughly equivalent to expenditures for school facilities. Figures include expenditures from ongoing Federal programs.

The freedom-of-choice provision of this bill relies upon the judgment of the States and local school districts in improving their educational programs. This is in keeping with our traditional concepts of State and local control of education. A few illustrations of how the school boards could use these funds might be helpful to the members of the committee.

*Teachers' salaries funds*

*Upgrading quality of the teaching staff.*—The most basic of the possibilities offered through the funds that would be made available under S. 1021 is the opportunity to upgrade the quality of teaching staffs by providing higher salaries. It is generally accepted that the quality of personnel school districts attract and hold in teaching positions is closely related to the salaries the districts pay. Therefore, upgrading teachers' salaries will upgrade the quality of the teaching staff. However, this bill leaves to the States the manner in which they may improve teachers' salaries. They may provide a general across-the-board increase for all teachers, or they may increase the maximums in salary schedules by extending the number of increments provided for experience. Or they may provide increases for teachers who have received a master's or doctor's degree.

*Broadening instructional programs.*—Funds under S. 1021 could be used for employing additional teachers to broaden the instructional programs of both elementary and secondary schools. For example, small high schools might add a teacher of science and mathematics, and offer 2 additional years of mathematics, plus a year of physics, and a year of chemistry. Another high school might add 2 years of a foreign language to its curriculum. A large high school might employ a teacher for a foreign language not presently offered.

The instructional program in elementary schools might be enriched through the employment of a traveling art or music teacher or through the employment of a specialist to work with mentally retarded children. A library teacher might be employed to serve half-time in two elementary schools presently without a librarian, or special teachers of remedial reading might be employed. Some school systems might employ teachers to extend the instructional program to include the kindergarten year.

*Improving present instructional programs.*—As has been pointed out previously, the typical size of elementary school classes in many of our larger cities is far in excess of 30 pupils. With funds provided by S. 1021, large classes, especially in the primary grades, could be reduced to a size that would enable each pupil to have a fair share of a good teacher's time.

*Extending the school year.*—Salary funds could be used to pay teachers for an additional 2 to 4 weeks and thus extend the school year for the children who are now receiving less than 180 days of schooling.

*Summer programs.*—Teachers' salary funds could be used either to initiate or to broaden summer school programs. Gifted students as well as average students would be able to round out their school programs in areas of their own particular needs and interests. A student in business education might take a wanted course in English. A college preparatory student might take typing. For the estimated 15 percent of the students who are the gifted or talented, a school district could offer an introductory course in electronics, in data processing, or in statistics.

Summer school programs could provide remedial work for students who have special learning problems or who have been ill.

*Funds for school construction*

Funds for school construction made available under S. 1021 could do more than just add new classrooms. They could also be used for additional school facilities such as science laboratories, libraries, and shops for vocational training.

These funds, too, could be used to encourage the consolidation of small school districts into larger and more effective administrative units. And the remodeling of old buildings, especially in metropolitan areas, could be encouraged.

*Funds for special educational projects*

S. 1021 specifies that each year a State shall use an amount equal to 10 percent of the funds allotted to it in 1961-62 for "paying part of the costs of pilot, demonstration, or experimental projects of local educational agencies designed to meet public school problems or to develop or evaluate public school programs of a special or unique nature." The States are to choose the projects they will approve. Although the bill gives examples of types of special education projects for which such funds might be used, it states specifically that the projects a State may approve are not limited to the examples given.

In each year that S. 1021 would be in operation, \$66 million would be made available to the States for research and development. Never before have funds for such purposes been more urgently needed. These special project funds (shown in table 28) will serve a role in education similar to that served by

research and development funds in industry. This can mean improved educational effectiveness.

#### COMMENTS ON PROVISIONS OF S. 1021

As members of the committee know, the National Education Association has not hesitated to oppose education bills that have appeared not to be in the best interests of the children and schools of our Nation. The NEA has carefully studied S. 1021 and commends it to the committee as sound legislation, one of the finest education measures ever to be presented to the Congress.

TABLE 28.—*Approximate allocations under S. 1021 for special educational projects (an amount equal to 10 percent of State allocation for 1961-62)*

	Annual amount available for special educa- tional projects		Annual amount available for special educa- tional projects
U.S. Total-----	\$66, 600, 000	Nebraska-----	\$532, 126
Alabama-----	1, 969, 169	Nevada-----	95, 227
Alaska-----	55, 500	New Hampshire-----	173, 422
Arizona-----	626, 028	New Jersey-----	1, 440, 000
Arkansas-----	1, 053, 884	New Mexico-----	527, 519
California-----	5, 273, 332	New York-----	3, 765, 000
Colorado-----	715, 718	North Carolina-----	2, 790, 548
Connecticut-----	660, 000	North Dakota-----	310, 007
Delaware-----	115, 500	Ohio-----	2, 873, 599
District of Columbia-----	162, 000	Oklahoma-----	1, 195, 184
Florida-----	1, 912, 097	Oregon-----	709, 584
Georgia-----	2, 201, 425	Pennsylvania-----	2, 688, 000
Hawaii-----	312, 126	Rhode Island-----	180, 000
Idaho-----	376, 072	South Carolina-----	1, 522, 846
Illinois-----	2, 331, 000	South Dakota-----	326, 206
Indiana-----	1, 695, 653	Tennessee-----	1, 954, 288
Iowa-----	1, 128, 046	Texas-----	4, 026, 271
Kansas-----	944, 592	Utah-----	577, 863
Kentucky-----	1, 458, 389	Vermont-----	145, 999
Louisiana-----	1, 503, 433	Virginia-----	1, 784, 609
Maine-----	412, 593	Washington-----	1, 140, 837
Maryland-----	897, 667	West Virginia-----	1, 065, 886
Massachusetts-----	1, 179, 000	Wisconsin-----	1, 161, 501
Michigan-----	2, 707, 025	Wyoming-----	154, 136
Minnesota-----	1, 306, 294	Outlying areas:	
Mississippi-----	1, 468, 763	Guam-----	36, 308
Missouri-----	1, 224, 681	Puerto Rico-----	1, 424, 389
Montana-----	291, 901	Virgin Islands-----	16, 757

The broad-purpose, freedom-of-choice principle which allows the States to decide for themselves whether funds are to be spent for teachers' salaries or for school construction, or for both, is the heart of the bill. This fundamental principle is basic to the maintenance and the strengthening of State and local control of public education in our Nation.

The bill contains a very important maintenance-of-effort provision designed to assure that Federal funds supplement State-local funds rather than supplant them.

The special-educational-projects provision contained in S. 1021 has great merit. The most commendable feature of this provision is that decisions as to what projects will be approved is left to the States.

The bill permits the States to use for State supervision of the school programs under title I a small portion of the funds allotted.

In addition to recognizing the responsibility of the Federal Government's broad general support of public elementary and secondary education, S. 1021 justly recognizes the responsibilities of the Federal Government for specific local school districts affected by Federal activity in their vicinity.

Thus S. 1021 embodies a broad and comprehensive program commensurate with the Federal responsibility for public elementary and secondary education. We commend the administration and the sponsors of this bill on the splendid work done in drafting this legislation. We urge the committee to report S. 1021 for consideration by the Senate at the earliest possible date.

Mr. Chairman, I thank the committee for the opportunity to present our views on what we think will be the greatest step forward in public education since the turn of the century.

Dr. LAMBERT. The members of the subcommittee will find in this statement a list of some of the outstanding achievements of public schools in recent years, and they will also find a list of some of the shortcomings and failures. I think if I were permitted to select just one thing on each side, I would say the most outstanding success story in education is the fact that in a period of 19 years, we have increased the median level of education of the American adult from 8.4 years of schooling to 11 years of schooling.

Now this has been a remarkable achievement. Less than 20 years ago we were a nation of eighth-graders, and now we are a nation of high school juniors. In a few years from now, the typical adult in this country will be a high school graduate. I wonder if many people have thought about the economic implications of this very rapid rise in the adult educational level of this country and the impact it has had on the American economy.

I suppose you have seen the difference between the average lifetime earnings of male elementary school graduates and male high school graduates. You can't help but contemplate what would happen if something like 8 to 9 million adult men in this country, with only an eighth-grade education, had a high school education.

It is an interesting computation to show what would happen to that relatively small group of persons, just 8 to 9 million of them, by moving them from an elementary education to a high school education.

The difference in average earnings over a period of a lifetime would be \$622 billion for that one small group of workers, and as you know, every year this would yield several billion dollars in Federal income tax revenue.

Now I think the most significant failure of the public schools, which is a point on the other side, can be seen in the latest statistics on school dropout rates. Out of every 100 boys and girls in the fifth grade—

Senator YARBOROUGH. Pardon me, Mr. Lambert. This total difference in the lifetime income of \$622 billion, over about how many years is that figured; 30 productive years?

Dr. LAMBERT. That is the lifetime earnings, which usually runs from age 25 up to slightly above 65, on an average; not much above 65.

But that is what all of them would earn over their lifetime period.

Senator YARBOROUGH. If you divide that, it would then be about, between \$15 billion and \$20 billion or more added to our economy every year, if this group had had that 3 more years of schooling.

Dr. LAMBERT. And, of course, it is difficult to figure what the income tax return would be on that, but it would be considerable.

Senator YARBOROUGH. Thank you. Pardon my interruption.

Senator MORSE. That is fine.

Dr. LAMBERT. Now this dropout rate which I think is the most significant failure of the American school system, is something that tells you more than whole books about the shortcomings of education.

For instance, we know now that out of 100 boys and girls who reach the fifth grade, only 60 will finish high school. We know that 1 of every 3 who enter high school, one will fail to graduate.

Senator YARBOROUGH. May I ask a question here, Mr. Chairman?



Dr. Lambert, that 40 that drop out without finishing high school, what percentage do you think drop out because of lack of intellectual capacity to continue?

Dr. LAMBERT. Most of those who drop out have problems that are related to school problems. This has been demonstrated in many studies. Generally speaking, the majority of these boys and girls who drop out are not up to average, and most of their problems are school connected or connected with problems of learning.

Not all, not by any means, but the majority. We have many very bright boys and girls who drop out of school in the 10th or 11th grade because they don't find there what they need, or they don't find the type of learning situation that is conducive to their staying in school, a circumstance which I think is one of the greatest weaknesses of American education.

Now we have talked a lot about the talented child and what we must do for him. We have some very serious problems, however, on the other end of the scale which, if you examine my testimony, shows what is going to happen in the field of unemployment among this group of people.

Senator YARBOROUGH. I will study those pages.

Dr. LAMBERT. As I mentioned, this dropout rate raises a lot of questions about the adequacy of public education. I think the most serious question it raises is: Just how adequate is the program of education for all American children and youth? This loss says a lot about education. You can think about this yourself, about the many implications for our social and economic life.

Also in this statement I have enumerated a fairly long list of what I call the problems of the 1960's, and there are a lot of problems coming up. I would like to mention just briefly three of these.

Within the current decade, the decade of the 1960's, we are going to have to recruit 1.6 million teachers to replace those who will quit, those who will retire, and those who will be needed to take care of the increase in enrollment. This 1.6 million is more than the total number of classroom teachers employed right now. We must recruit this number, more than this number, in the next 10 years.

Now, this task is a challenging one, considering the fact that last year we graduated from college about 129,000 teachers, of whom only about 95,000 took teaching jobs. You can see that it is going to be difficult to get that many teachers in the next decade from the graduating classes, when those taking teaching jobs number fewer than 100,000 a year.

I think this should be in the record, too. Some people have been talking about the surplus of teachers we are going to have 5 years from now. Do you know that in the last 10 years, we have produced 1 teacher for every 8.5 pupils we have added to the enrollment, and we still have a shortage of 130,000 to 140,000 teachers.

I think the only solution to the problem of obtaining the supply we need is to reduce this turnover rate, to persuade more young men and women to become teachers, and to persuade the thousands of teachers who are out doing other things to return to the classroom. But I think most of the solutions depend on pay scales.

There is a great deal of variance in pay scales over the country. I don't know how many people realize how much variance there is.

Senator RANDOLPH. Mr. Chairman, may I interrupt at this point to say to Dr. Lambert we have young men and young women who are teacher-trained in West Virginia institutions of higher learning and they actually reside in counties within West Virginia contiguous to other States, and teach in those States. Living within West Virginia, teacher-trained in West Virginia, they drive from their home in West Virginia 20 or 30 miles into Maryland to teach because there they have perhaps \$100 more a month, in Maryland, than we have in West Virginia for comparable instruction.

Dr. LAMBERT. I would like to say, Senator Randolph, I have some very interesting figures on the resignation rate in West Virginia which I am going to give in this brief overview. I know you have that problem. You have one of the most serious problems in the country in keeping the teachers you train.

Senator RANDOLPH. Thank you, Mr. Chairman, for allowing me to interrupt.

Senator MORSE. That is a very important point.

Dr. LAMBERT. There are a few school systems, at least a handful, that probably won't have any difficulty recruiting the teachers they need because they pay a teacher with advanced training and experience up to \$10,000 a year. But the great majority are going to have a very difficult time recruiting the number of teachers they need.

Now, let us take this State of West Virginia, for instance. Senator Randolph, I am a native of West Virginia. I know the State very well. Within a 6-year period, between 1954-55 and 1959-60 there were 9,183 resignations among teachers in West Virginia. In 6 years over 9,000 resignations.

During that period of time they had on the payroll an average of 15,000 teachers.

Now, this means that this State had to find replacements, had to recruit and get adjusted to their jobs, and get them started in their work, about 60 percent of the total teaching staff in a 6-year period. And the thing about this that is interesting is the situation is becoming worse rather than better.

In the first year of this 6-year period only 1,114 teachers resigned. The third year, 1,422. The sixth year, 1,824. The number of teachers employed was fairly constant during that period but the rate of resignation went up tremendously. I think it might be well to point out that the average salary in West Virginia last year was \$3,825. But there are six States in this country with even lower averages.

Do you know that a few teachers in the State of West Virginia are still paid as little as \$1,350 per year? There are several hundred in West Virginia who are in pay scales ranging from \$1,350 to \$1,900 per year.

Now, this might be considered an extreme example. We have another State that has categories running down to less than \$1,200 a year. Now, can you imagine employing a person to teach school at salaries that low?

The need for buildings also varies. Three States are almost the same in terms of enrollment—all have just a little under a million students in school. These are the States of Indiana, Florida, and Georgia. They all have just slightly less than a million pupils, but the classroom shortage in one State is only 1,321, and in the other two they were 3,714 and 4,744.

Now, this variance in building needs and in needs for salaries certainly underlines the need for the freedom-of-choice principle in the administration's bill. And I think if we are really serious about wanting quality education in this country, we are going to have to make funds available for salaries and buildings at the discretion of the State.

The second problem I would like to mention goes back to this dropout problem, this 40 percent who are quitting between the 5th and the 12th grades. Now, this 40 percent is going to become a much more serious problem in the years ahead than it has been in the past because here is what is happening. We are getting more and more boys and girls in the critical age groups and fewer and fewer jobs for them, and this is going to pose very serious economic and social problems for this country. The problems are going to be tremendous in handling this group.

Let us examine just a few figures. The Department of Labor says that the unemployment rate among those failing to finish high school is about double the rate of those who do finish high school, and it is about  $3\frac{1}{2}$  times the rate of those who have had some college education.

By and large these youngsters who quit before they finish the 12th grade don't make very satisfactory workers. We have some information about this in the Department of Labor records. They have no skill to market. They are too young to appreciate and stick to a job. They are too young and too inexperienced to demand any type of reasonable standard of living, and on the whole they are about the most disgruntled and the most unsatisfactory group of workers we have in this country.

But let us look at what is going to happen to a number of these youngsters. Let us take two age brackets, 14 to 17 and 18 to 21. These are the critical groups.

In 1950 the number in this 14 to 17 age bracket totaled 8.4 million. By 1970 we will have 15.9 million or almost twice as many in this critical age bracket.

Unless these dropout rates are reduced, you can see what is going to happen with fewer and fewer jobs all the time for this group.

Take the age group 18 to 21. In 1950 we had only 8.9 million in that group. In 1970 we are going to have 14.6 million in that group. And by 1975, over 16 million in that group, the 18 to 21 group. You can see the problems of employment for those whose high school education isn't completed.

I think the third problem is how are we going to pay for this expanding enterprise, and it is growing about as rapidly as anything in this country has ever grown. The cost of elementary and second-ard schools in the past 10 years has gone from \$5.8 billion up to \$15.3 billion. In the next 10 years, in spite of this increase, it is going to double again. We are going from about \$15.3 billion up to \$30 or \$31 billion per year.

Now, this can be verified from several sources. There have been many predictions that costs are going to double between now and 1970. But I hope the people of this country realize what this really means. Ten years from now the cost of public schools will be two-thirds as much as national defense is now.

By 1970, and this is the important fact, public schools will be requiring as much revenue as all State and local services including education cost in 1959. That means that if this figure goes to \$30 billion, we are going to have to create an almost completely new tax program on top of the one we already have for education.

Frankly, I cannot see how any one level of government can do this job alone. I think it is going to take for this type of coming responsibility just about everything all three levels can do. This cannot result in any stopping of efforts at the State and local levels, because the amount of money needed has to increase at all levels.

I would like to conclude this testimony by giving just two or three examples of how this money, especially in the titles for salaries and school construction, might help. I think it would be a mistake to just assume that all this money would be used in the State for a flat salary increase for all teachers or for constructing a certain number of general classrooms. Here are some things that could happen, some very dramatic and interesting things.

Let us take a school system with, say, 33 to 35 pupils in grades 1, 2, and 3, and we have lots of them in this country. This school system might decide to employ the additional teachers needed to bring that number down to 30 or 29 and to build the classrooms they need to house this excess in these primary grades. I fail to see anything much more important than doing something about a problem of this type.

Depending on the State plan developed, another system might be able to extend its term of employment from 9 months to 9½ or 10 months, and this would result in the boys and girls getting a full 180 days of schooling and would provide some time at the beginning of the year for teachers to do the planning and necessary organization for the year's work, and then at the end of the year to clean up the records, which usually requires 2 or 3 days' work.

Another possibility would be the development of some excellent summer school programs, and this type of programing is going on now all over the country. School administrators and teachers are looking at what they can do with this 3 months in the summer and they are coming up with some rather dramatic plans.

For instance, I can visualize that the salary funds might support a summer school program for as many as 30 percent of the boys and girls who are regularly enrolled, and this program might be designed to offer not only remedial and makeup work but to offer the types of things that talented children want that they cannot get in the regular term. For instance, this would be an opportunity for a talented student in languages to take third and fourth year French or a talented science student to take a fourth year of science or a talented math student to take a fourth year of math.

It also might make it possible for those who are now loaded down with very heavy academic loads to take courses that they want for their own use, such as typing. Many of these students going away to college have had a full dose of English, math, and so on, and don't have time any more to get this type of training. They could get this in the summer school if they wanted it.

I think the fifth possibility would be the opportunity to considerably broaden the program of the smaller high schools. As you know, a high school of about 300 is pretty much a typical high school in this country, and the chances are that such a high school does not offer

more than, say, 2 years of math—or at the most 3—and usually only 1 or 2 years of science. Sometimes it will offer biology but not chemistry or physics. But by the school employing a science-math major it might be able to offer trigonometry, physics, and chemistry. And the building funds might be available to construct the laboratory which they don't have now for a chemistry program.

I think another thing that might be of considerable interest is that the salary fund would make it possible, if the State plan allowed it, for many school systems now without kindergartens to develop a good kindergarten program. As you know, here is where you can use the building for twice as many students. The kindergarten only runs a half day, so you can accommodate 55 to 60 with 1 room, and many school systems would like to have a good kindergarten program.

By adding teachers, which this would allow, they could staff a program of this type.

I don't think salary funds would be used in any uniform way throughout the country. I think, for instance, there are a lot of salary scales that are in trouble. Take, for instance, a system—and we have run into this many times—a system that has a scale that begins at \$5,000 and has a top salary of \$6,000. This system is probably losing its teachers with master's degrees and with experience. This system might want to put its salary funds into lifting the top of the scale up to a maximum of, say, \$6,500 or \$7,000, and letting the rest of it alone. It might affect only 30 percent of the teachers in the system at the particular moment, but it would certainly help keep some of those younger teachers who can look toward a more adequate salary with a high level of training.

I think this just about concludes my 15 minutes. I might mention one other thing in this testimony. The special money——

Senator MORSE. If there is any doubt about that, I will clear it up. It has been about 25 minutes.

Dr. LAMBERT. Well, I will stop with this one statement, Mr. Chairman. Many of the features of this bill are excellent. We think it is a good bill. I want to thank the subcommittee for the opportunity to present our views on what we consider the greatest step forward in education in the past hundred years.

Senator MORSE. That is very helpful, Dr. Lambert. We appreciate it very much.

Senator Yarborough, any questions?

Senator YARBOROUGH. I want to thank Dr. Lambert for the studies he has given us—I have glanced through this statement with the very beneficial tables and computations that we will use on this bill—and for his going beyond the mere statement of deficiencies in education and need for the money and for his following through on education through our whole economy, through a generation, showing what this will do for our economy.

There are many social aspects that he couldn't touch on in this brief period of time that are just as important, of course, as Dr. Lambert will realize better than us—perhaps just as important as the economic rewards that come to the strengthening of our economy through this training of people to utilize their mental capacities as well as their physical capacities.

Senator MORSE. I am checking with the floor at the present time to see if the subcommittee will be allowed to continue the hearing while

# FALL 1960 STATISTICS ON ENROLLMENT, TEACHERS, AND SCHOOLHOUSING IN FULL-TIME PUBLIC ELEMENTARY AND SECONDARY DAY SCHOOLS, BY STATE

U. S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE  
Office of Education

Advance data from forthcoming Office  
of Education Circular No. 634

Region and State	Number of pupils enrolled			Number of classroom teachers			Number of teachers teaching under substandard credentials 1/			Degree or number of semester hours required for lowest regular teaching certificate 2/		Number of pupils in excess of normal capacity of the accessible publicly-owned school plants in use			Number of pupils attending school for less than a full or normal school day			Inventory of instruction rooms			Additional instruction rooms needed (as of fall 1960)			Instruction rooms scheduled for completion during 1960-61 school year	Region and State	
	Total	Elementary 3/	Secondary 3/	Total	Elementary 3/	Secondary 3/	Total	Elementary 3/	Secondary 3/	Elementary 3/	Secondary 3/	Total	Elementary 3/	Secondary 3/	Total	Elementary 3/	Secondary 3/	Available, beginning 1959-60 school year	Completed during 1959-60 school year	Abandoned for instructional purposes during the 1959-60 school year	Available, beginning 1960-61 school year	Total	To accommodate excess enrollment reported in column 13			To replace unsatisfactory facilities (exclusive of those in column 24)
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27
UNITED STATES (50 States and D.C.)	36,305,104	24,457,321	11,847,783	1,409,995	801,035	548,960	91,552	67,249	24,303	-	-	1,868,000	1,181,000	687,000	5/685,496	5/505,861	5/179,635	1,286,960	69,400	17,800	1,338,560	14,2160	66,141	76,019	69,553	U. S.
NORTH ATLANTIC.....	8,434,285	5,255,535	3,178,750	348,604	194,111	154,463	25,375	10,490	8,885	-	-	523,538	297,591	225,947	283,288	153,025	130,263	298,226	13,501	3,772	307,955	36,076	19,073	17,003	13,567	N. Atl.
Connecticut.....	480,473	345,611	136,862	20,005	12,232	7,773	2,100	9,500	8	B	B	21,841	10,741	11,100	18,987	6,682	12,305	17,086	1,258	355	17,989	1,080	805	255	672	Conn.
Delaware.....	82,206	47,572	34,634	3,688	1,977	1,711	529	435	94	B	B	1,846	1,138	708	98	98	-	3,150	226	7	3,369	155	62	93	130	Del.
Maine.....	204,783	135,898	78,885	8,175	5,609	2,566	379	298	81	96	B	14,115	7,926	7,484	4,613	7/1,295	7/3,318	7,393	369	118	7,644	893	513	350	414	Maine
Maryland.....	607,363	358,022	249,341	8/23,520	8/12,305	8/11,215	4/6,200	2/4,457	2/1,743	B	B	57,836	30,092	27,744	36,244	19,652	16,592	18,959	1,100	168	19,891	2,912	2,057	855	1,192	Md.
Massachusetts.....	837,643	560,365	277,278	35,553	20,983	14,570	21,150	10,580	10,570	B	B	37,961	22,158	17,803	4,195	3,082	1,113	33,104	689	159	33,634	2,342	1,332	1,010	800	Mass.
New Hampshire.....	105,969	72,468	33,501	4,504	2,768	1,736	450	360	90	B	B	4,323	3,073	1,250	2,133	-	2,133	4,028	241	82	4,187	294	152	142	185	N. H.
New Jersey.....	1,054,405	739,862	314,543	46,266	30,225	16,041	6,180	4,733	1,447	B	B	79,865	48,519	31,367	59,163	41,744	17,419	36,535	1,964	255	38,244	3,839	2,806	1,033	1,328	N. J.
New York.....	2,780,000	1,630,000	1,150,000	115,500	62,300	57,200	5,850	2,630	3,220	B	B+30	224,800	11/135,600	4/89,200	4/137,770	4/70,669	4/67,101	96,900	3,960	910	99,950	16,000	8,200	7,800	5,800	N. Y.
Pennsylvania.....	1,950,591	1,133,576	817,015	74,653	38,355	36,298	965	501	464	B	B	52,081	18,175	33,906	13,465	7,168	6,297	69,633	2,941	1,516	71,058	6,548	2,146	4,402	2,722	Pa.
Rhode Island.....	134,513	11/79,963	11/54,550	5,255	2,694	2,561	346	187	159	B	B	6,509	3,546	4/2,963	4,226	11/241	11/3,985	4,583	257	54	4,786	407	230	177	100	R. I.
Vermont.....	74,891	53,393	21,498	3,110	2,100	1,010	326	238	88	B	B	4,652	3,173	1,479	-	-	-	3,113	224	107	3,230	849	194	655	92	Vt.
Dist. of Columbia	121,448	80,805	40,643	4,375	2,593	1,782	1,300	871	429	B	13/B	15,658	12,115	3,543	2,394	2,394	-	3,742	272	41	3,973	777	516	231	132	D. C.
GREAT LAKES AND PLAINS.....	10,211,806	7,046,836	3,164,970	409,884	259,941	149,943	24,964	20,278	4,686	-	-	122,998	104,925	18,073	5/109,120	5/94,119	5/45,001	378,924	-	-	39,211	14,884	24,329	19,822	19,822	Gr. Lakes
Illinois.....	1,741,709	1,287,517	454,192	72,114	49,108	23,006	5,735	5,144	591	14/60	B	122,998	104,925	18,073	50,107	49,175	632	67,659	1,872	676	68,855	8,699	4,691	4,008	4,003	Ill.
Indiana.....	1,098,531	709,496	389,035	10/35,000	25,248	10/9,752	3,000	2,250	750	B	B	15,000	11,250	3,750	15/	15/	15/	33,930	1,933	178	35,685	1,321	500	821	2,152	Ind.
Iowa.....	577,735	381,276	196,459	26,204	14,903	11,361	320	220	100	B	B	13,775	6,900	6,875	15/	15/	15/	19,915	546	313	20,148	705	505	200	500	Iowa
Kansas.....	165,000	105,000	60,000	21,610	12,980	8,630	-	-	-	B	B	15/	15/	15/	15/	15/	15/	23,378	15/	15/	17/2,007	1/1,139	17/868	17/375	17/375	Kans.
Michigan.....	1,680,740	1,045,537	635,203	63,942	36,691	27,251	8,353	6,893	1,460	120	120	54,075	32,445	21,630	13,614	11,833	1,781	51,242	3,500	200	54,542	10,762	1,931	8,831	3,810	Mich.
Minnesota.....	692,336	423,758	278,578	29,092	15,152	13,940	517	401	116	B	B	28,995	15,203	13,792	12,286	8,599	3,687	26,798	1,292	351	27,739	3,816	1,016	2,800	1,190	Minn.
Missouri.....	824,395	7/628,045	7/296,350	30,084	20,727	9,357	149	68	61	64	B	35,300	2/26,300	7/9,000	-	-	-	29,119	1,388	286	30,221	4,354	1,524	2,830	1,391	Mo.
Nebraska.....	282,997	193,319	89,678	13,694	8,811	5,083	566	476	90	40	B	6,835	5,141	1,694	703	703	-	14,797	462	307	14,952	358	169	169	332	Nebr.
North Dakota.....	138,163	7/100,897	7/37,266	7,528	5,202	2,326	34	24	10	64	B	4,687	7/3,096	7/1,591	-	-	-	7,378	350	512	7,216	902	156	746	399	N. Dak.
Ohio.....	1,950,852	1,306,759	644,093	73,729	45,524	28,205	4,951	3,779	1,172	B	B	60,604	43,147	17,457	31,022	22,179	8,843	66,669	3,273	663	69,279	3,919	2,020	1,899	3,551	Ohio
South Dakota.....	149,348	7/111,212	7/38,136	7,677	5,695	1,982	339	273	66	18/30	B	13,871	7/8,764	7/5,107	1,088	7/1,030	7/583	7,249	257	193	7,313	820	463	357	219	S. Dak.
Wisconsin.....	725,000	517,000	208,000	28,950	19,900	9,050	1,000	750	250	64	B	21,200	10,700	10,500	-	-	-	30,790	1,520	510	31,800	1,550	750	800	1,500	Wis.
SOUTHEAST.....	8,791,792	5,984,358	2,807,434	317,330	197,778	119,552	16,376	12,687	3,689	-	-	626,278	385,379	240,899	5/118,329	5/106,294	5/12,035	297,384	16,102	5,435	308,051	45,968	21,363	24,605	16,113	S. E.
Alabama.....	789,134	511,800	277,334	26,461	14,690	11,771	2,227	1,305	922	B	B	143,598	11/87,542	5/56,056	27,001	20,223	6,618	23,687	2,324	271	25,740	7,335	4,928	2,409	2,405	Ala.
Arkansas.....	422,160	274,021	148,139	15,022	7,820	7,202	2,214	1,739	475	B	B	29,692	17,836	11,856	2,432	11/2,432	11/	13,867	675	366	14,176	2,410	1,130	1,280	721	Ark.
Florida.....	979,165	575,533	403,632	37,265	20,807	16,458	493	461	32	B	B	73,086	38,155	34,931	44,863	39,7										



Missouri.....	824,395	1/628,046	1/196,350	30,084	20,727	9,357	119	68	81	64	B	35,300	1/26,300	1/9,000	-	-	-	29,119	1,388	286	30,221	4,354	1,524	2,830	1,391	No.	
Nebraska.....	282,997	193,319	89,678	13,894	8,811	5,083	566	476	90	40	B	6,835	5,111	1,694	703	703	-	14,797	462	307	14,952	358	189	169	332	Nebr.	
North Dakota.....	138,163	1/100,897	1/37,266	7,528	5,202	2,326	34	24	10	64	B	4,687	1/3,096	1/1,591	-	-	-	7,378	350	512	7,216	902	156	746	399	N. Dak.	
Ohio.....	1,950,852	1,306,759	644,093	73,729	45,524	28,205	4,951	3,779	1,172	64	B	60,604	43,147	17,457	31,022	22,179	8,843	66,669	3,273	663	69,279	3,919	2,020	1,899	3,551	Ohio	
South Dakota.....	149,348	1/111,212	1/38,136	7,677	5,695	1,982	339	273	65	18/30	B	13,871	7/8,764	7/5,107	1,088	1/1,030	7/58	7,249	257	193	7,313	820	463	357	219	S. Dak.	
Wisconsin 16/.....	725,000	517,000	208,000	28,950	19,900	9,050	1,000	750	250	64	B	21,200	10,700	10,500	-	-	-	30,790	1,520	510	31,800	1,550	750	800	1,500	Wis.	
SOUTHEAST.....	8,791,792	5,964,358	2,827,434	317,330	197,778	119,552	16,376	12,687	3,689	-	-	626,278	385,379	240,899	5/118,329	5/106,294	5/12,035	297,384	16,102	5,435	308,051	45,968	21,363	24,605	16,113	S. E.	
Alabama.....	789,134	11/1,444,200	11/1,344,934	26,461	14,690	11,771	2,227	1,305	922	B	B	113,598	11/87,512	5/56,056	27,041	20,223	2/6,818	23,687	2,321	271	25,760	7,335	4,926	2,409	2,645	Ala.	
Arkansas.....	422,160	11/210,021	11/182,139	15,022	7,820	7,202	2,214	1,739	475	B	B	29,692	11/17,836	11/11,856	2,432	11/2,432	11/	13,847	675	366	14,176	2,440	1,130	1,280	721	Ark.	
Florida.....	979,165	575,533	403,632	37,265	20,807	16,458	493	461	32	B	B	73,086	38,155	34,931	44,863	39,766	5,097	30,866	2,384	186	33,064	4,744	2,505	2,239	1,851	Fla.	
Georgia.....	931,539	19/646,280	19/285,259	32,820	21,290	11,530	196	190	6	B	B	76,163	19/49,935	9/26,228	17,534	17,534	19/	33,803	867	346	34,824	3,714	2,460	1,254	532	Ga.	
Kentucky.....	618,204	443,452	174,752	23,499	15,730	7,769	2,965	2,545	420	96	B	58,380	41,847	16,533	2,789	2,789	-	22,204	1,010	552	22,662	8,906	1,946	6,960	1,331	Ky.	
Louisiana.....	714,000	559,000	155,000	26,598	15,956	10,642	1,650	1,106	544	B	B	16,726	12,004	4,722	3,224	3,224	-	25,077	1,426	239	26,264	1,457	689	768	1,099	La.	
Mississippi.....	575,000	387,000	188,000	18,691	10,915	7,776	588	373	215	B	B	39,902	27,867	12,035	-	-	-	16,983	1,801	1,056	17,728	2,597	1,163	1,434	1,571	Miss.	
North Carolina.....	1,102,026	1/839,916	1/262,110	37,458	25,911	10,547	1,690	1,469	221	B	B	53,544	1/36,450	1/17,094	2,076	1/2,076	7/	38,166	1,608	457	39,317	3,714	1,620	2,094	1,510	N. C.	
South Carolina.....	580,920	375,152	205,768	20,856	12,330	8,526	20/33	20/18	20/15	B	B	23,345	11,370	11,975	15/	15/	15/	20,104	787	405	20,486	1,859	858	1,001	721	S. C.	
Tennessee.....	794,760	604,017	190,743	29,641	21,934	7,707	1,075	850	225	B	B	31,746	14,815	16,931	355	355	-	27,830	1,144	392	28,582	2,984	1,054	1,930	1,726	Tenn.	
Virginia.....	847,228	582,872	264,356	32,663	19,737	12,926	2,116	1,803	313	B	B	61,041	38,168	22,635	16,717	16,597	120	28,405	1,794	911	29,288	4,326	2,332	1,994	1,967	Va.	
West Virginia.....	437,656	266,915	170,741	16,356	9,658	6,698	1,129	828	301	B	B	19,055	9,152	9,903	1,298	1,298	-	16,392	282	254	16,420	1,922	680	1,242	439	W. Va.	
WEST AND SOUTHWEST	8,679,223	6,071,604	2,607,619	327,404	204,919	122,485	24,716	17,708	7,008	-	-	293,204	195,652	97,552	172,707	150,371	22,336	306,353	22,385	4,036	324,702	20,162	10,375	9,787	19,602	W. & S.W.	
Arizona.....	305,866	236,491	70,375	11,184	8,369	2,815	51	46	5	B	B+30	17,477	10,269	7,208	14,200	7,734	6,466	10,335	1,265	150	11,450	1,085	697	388	497	Ariz.	
California.....	3,353,600	2,282,000	1,071,600	119,250	74,500	44,750	11,000	8,000	3,000	B	B+30	61,000	55,000	6,000	122,000	110,000	12,000	108,000	10,000	1,000	117,000	4,000	2,000	2,000	10,000	Calif.	
Colorado.....	392,217	243,295	148,922	16,683	9,323	7,360	184	112	42	90	B	19,235	11,602	7,633	9,739	8,757	982	14,347	1,459	470	15,336	1,371	762	609	584	Colo.	
Idaho.....	158,918	11/88,879	11/70,039	6,348	3,469	2,939	1,449	1,118	331	B	B	10,352	11/5,489	1/4,863	-	-	-	6,045	224	123	6,146	812	400	412	282	Idaho	
Montana.....	146,315	1/99,696	1/46,619	6,879	4,479	2,400	270	242	28	64	B	6,530	1/5,146	1/1,384	3,904	1/2,513	1/1,391	6,805	253	108	6,950	443	250	193	353	Mont.	
Nevada.....	64,378	42,424	21,954	7,729	1,848	881	-	-	-	62	B	4,560	3,127	1,431	4,543	4,543	-	2,327	271	76	2,522	302	167	135	157	Nev.	
New Mexico.....	222,953	11/133,138	11/89,815	9,191	5,116	4,075	173	136	37	B	B	16,478	11/8,736	11/1,742	-	-	-	7,944	420	121	8,240	1,104	562	542	458	N. Mex.	
Oklahoma.....	21/339,000	21/328,500	21/210,500	20,290	11,600	8,690	-	-	-	B	B	20,000	16,000	4,000	-	-	-	25,997	975	825	26,147	2,300	800	1,500	1,000	Okla.	
Oregon.....	388,590	1/270,433	1/118,157	17,085	10,856	6,229	1,959	1,919	40	B	B	7,896	1/6,089	1/2,807	3,531	1/2,250	1/1,281	14,987	760	168	15,579	699	348	351	588	Oreg.	
Texas.....	2,151,236	1,678,809	472,427	80,684	54,330	26,354	6,500	3,574	2,926	B	B	76,904	50,263	26,641	4,987	4,987	-	75,251	4,365	307	79,309	4,438	2,488	1,950	3,629	Tex.	
Utah.....	237,785	142,986	94,799	8,526	4,629	3,897	404	277	127	B	B	16,951	8,625	8,226	9,187	9,187	-	7,598	728	185	8,141	962	576	386	401	Utah	
Washington.....	638,433	476,338	162,095	24,594	14,241	10,353	2,100	1,700	400	B	B	33,254	13,662	19,592	616	400	216	23,333	1,490	447	24,376	2,383	1,218	1,165	1,422	Wash.	
Wyoming.....	78,932	48,615	30,317	3,961	2,219	1,742	626	554	72	B	B	2,667	1,642	1,025	-	-	-	3,387	175	56	3,506	263	107	156	244	Wyo.	
Alaska.....	43,306	33,579	9,727	1,816	1,328	488	71	63	8	90	B	5,056	4,450	606	-	-	-	1,079	90	26	1,143	295	200	95	119	Alaska	
Hawaii.....	144,692	85,409	59,283	4,957	2,928	2,029	50	23	27	B	B	7,751	5,626	2,125	2,052	2,052	-	4,994	281	174	5,101	456	246	200	330	Hawaii	
Outlying parts:																											
American Samoa.....	5,378	3,423	1,955	301	236	65	8	-	8	22/	22/B	455	-	455	-	-	-	251	12	12	251	35	15	20	1	Samoa	
Canal Zone.....	11,443	6,541	4,902	366	190	166	2	2	-	23/8	24/B	232	232	-	-	-	-	406	26	20	412	7	7	-	22	C. Z.	
Guam.....	13,690	9,053	4,631	509	310	199	66	60	6	60	B	-	-	-	-	-	-	561	14	50	525	243	-	243	53	Guam	
Puerto Rico.....	570,461	386,705	183,756	13,672	8,130	5,542	2,981	875	2,106	68	B	169,440	136,647	32,793	320,325	268,711	51,614	11,577	738	108	12,207	4,860	4,216	644	500	P. R.	
Virgin Islands.....	6,879	4,741	2,138	232	130	102	-	-	-	60	60	1,516	1,153	363	-	-	-	190	8	1	197	97	52	45	39	V. I.	

1/ Some of the teachers included in columns 8 through 10 may have met the minimum general education requirements given in columns 11 and 12 but lack either the required semester hours of professional education or directed teaching. 2/ "B" means the bachelor's degree, the equivalent of 120-128 semester hours; "M" means the master's degree. 3/ Unless otherwise noted, data for elementary and secondary schools are classified by type of organization of the school, rather than by grade group. 4/ Totals for columns 2 to 10, 16 to 19, and 23 to 26, while shown to the last digit, are not in fact precise to that degree but merely represent the sum of unrounded and rounded figures furnished by the various States; totals in columns 13 to 15 and 20 to 22 include estimates for nonreporting States. 5/ Incomplete; total for States reporting. 6/ State advises that "these teachers are working toward standard certificates; their certificates are emergency but not substandard." 7/ Data for elementary and secondary schools are reported by grade-group (kindergarten through grade 8 for elementary, and grades 9 to 12 for secondary). 8/ Includes librarians and guidance personnel. 9/ Data estimated by local school superintendents. 10/ As of June 1960. 11/ Data for elementary and secondary schools are reported by grade-group (kindergarten through grade 6 for elementary, and grades 7 to 12 for secondary). 12/ Includes New York City data for 1959. 13/ Represents requirement for teaching in junior high and vocational high schools; master's degree required for teaching in senior high schools. 14/ Data relate to requirement for teachers who pass the teachers' examination; requirement without examination is a bachelor's degree. 15/ Data not available. 16/ Excludes vocational schools. 17/ Incomplete. 18/ Represents requirement for teaching in rural schools; requirement for teaching in town schools is 60 semester hours. 19/ Data for elementary and secondary schools are reported by grade-group (kindergarten through grade 7 for elementary, and grades 8 to 12 for secondary). 20/ Data for 1959-60 school year. 21/ Estimated data for 1960-61 school year. 22/ No regular certification requirements for teaching grades 1-9; bachelor's degree required for teaching grades 10-12. 23/ Represents requirement for teaching in schools for U. S. citizens; in schools for Latin Americans the requirement is a Republic of Panama Normal School Certificate or its equivalent. 24/ Represents requirement for teaching grades 7 and 8 in schools for U. S. citizens and in secondary schools for Latin Americans; master's degree required for teaching grades 9-12 in schools for U. S. citizens.



the Senate is in session. While awaiting an answer, I am sure that it would be considered proper for me to continue at least for 3 or 4 minutes further. In that time I will ask Mrs. Flanigan if she has any comments she wishes to make for the record.

**Mrs. FLANIGAN.** No, I haven't, thank you, Senator.

**Senator MORSE.** Thank you very much, Mr. Lambert, and Mrs. Flanigan. We have your entire statement in the record and we will reserve the right to recall you and also reserve the right to send you written questions.

I would like to insert at this point a table which bears on so much of what you have in your statement. It is a table issued by the U.S. Department of Health, Education, and Welfare, Office of Education, of fall 1960 statistics on enrollment, teachers, and school housing in full-time public elementary and secondary grade schools, by State. That will be inserted in the record at this point.

(The document referred to faces p. 298.)

**Senator MORSE.** I will call as the next witness Dr. Edgar Fuller, executive secretary, Council of Chief State School Officers.

**Dr. Fuller,** we are glad to have you. You may proceed in your own way. I would like very much to have you try to summarize your statement within the 15-minute limit.

#### **TESTIMONY OF DR. EDGAR FULLER, EXECUTIVE SECRETARY, COUNCIL OF CHIEF STATE SCHOOL OFFICERS**

**Dr. FULLER.** Mr. Chairman and members of the subcommittee, I am Edgar Fuller, executive secretary of the Council of Chief State School Officers, and I appear here on behalf of the council in general support of S. 1021. The members of the council are the State superintendents and State commissioners of education of the 50 States and the chief school officers of Puerto Rico, Virgin Islands, Canal Zone, Guam, and American Samoa. They are the legal officers of the States and territories for public elementary and secondary education and will be responsible for State-level administration of S. 1021 or similar legislation.

The State officers not only handle the administrative relationships with the Federal Government, but also allocate funds, provide assistance for programs, and receive reports from nearly 40,000 local school districts.

May I say, Mr. Chairman, that after your eloquent analysis and statement for the record, I have a feeling that almost anything that I might say on some of these issues will be an anticlimax. But I shall proceed and be as brief as possible.

So far as the purposes of this act are concerned, they state exactly what the chief State school officers have as policy, to improve education in all the States and to reduce the inequalities of educational opportunities among States and within each State.

The need for this legislation has been made clear and well established by Secretary Ribicoff, Dr. Carr, and others before this committee. I shall not say much on this.

At present the States pay about 40 percent of the total cost of public education and local school districts pay approximately 55 percent. The current Federal share is about 5 percent, if you include school lunch and some auxiliary service funds that come from Federal

sources. S. 1021 would increase the Federal share for public education from around 5 percent to less than 10 percent, which shows that it is a modest bill.

The broader and more effective Federal tax system dominates the local and State tax systems and impinges strongly on local and State tax sources. In spite of the devastating Federal competition, State and local governments have managed to increase their tax revenues much faster than the Federal Government during the past 15 years. During the same period their debt has increased at a rate approximately 39 times faster than the Federal debt. State and local funds are increasingly difficult to obtain. A more equitable allocation of responsibility for the support of public education among the three levels of government is needed.

Among these major issues, one of them is certain to be raised and that is that of matching and maintenance of State and local efforts. State and local matching of Federal funds as a condition precedent for receipt of Federal funds has been a fetish of those who oppose or are lukewarm to Federal support of education.

Such matching requires redtape and delays action. Sometimes it prevents use of Federal funds at all in the local districts and States that need them most. S. 1021 does not mandate such State and local matching, but is careful to provide strong incentives for maintenance of State effort through a system of financial penalties for failure to do so.

The authors of this bill know that the States and localities are already matching the Federal Government 19 to 1 on public school support. The present situation demands more reasonable Federal matching of the 95 percent paid by States and local districts, together with maintenance of State and local financial support of public education at or above present levels.

We support the theory of this bill enthusiastically as a practical matter of administration. This is a very important thing to leave out, and by that I mean matching.

Federal control: These are dirty words. Federal controls are fortunately lacking in S. 1021. We agree with the 1955 White House Conference on Education in opposing "\* \* \* any Federal control over educational use of funds in local districts," and believe the delegates of that conference were sound in their refusal to interpret fiscal accounting by the States to the Federal Government as Federal control of education.

The respective responsibilities of the three levels of government have been appropriately outlined in S. 1021. Local school districts are required to account to the States for the Federal funds they have received. The States then account to the Federal Government for all Federal funds received by them. The Federal Government cannot control the content of what is taught in the schools under this bill, and it therefore permits no Federal control of education as such control is properly defined.

#### AGAINST AMENDMENT

Amendments injecting new issues: The principle established by the first amendment to the U.S. Constitution has been fully observed by S. 1021, and the council supports the views of President Kennedy in

regard to the bill, including those in his press conference of yesterday. We hope that no amendments raising questions of constitutional law in education will be attached to it.

Legislation concerning public funds for public schools should be decided on its own merits at all levels of government.

Amendments to withhold Federal funds from States or local school districts for failure to desegregate schools have been used as vehicles to defeat legislation similar to this bill. We strongly recommend passage of S. 1021 without such extraneous amendments.

It is highly unfair to expect the schools to assume the major effort to enforce desegregation, which is a political, social and economic problem pervading all aspects of society. The very education needed to reach solutions to this problem would be denied by withholding funds from schools. The problem cannot be solved by such tactics, and public education itself would become the major victim.

Violations of civil rights should be dealt with by specialized law enforcement agencies, rather than through punitive and ineffective administrative methods that primarily injure innocent pupils and undermine the schools. And I subscribe fully, Senator Morse, to your statement this morning on the extraneous amendments which ought to be kept off this bill.

Section 104: The appropriations authorized in S. 1021, considering the state of the economy and the national budget situation, are reasonable.

Section 105: The formula for allocation, at least for a 3-year term, is generally satisfactory, although the council's policy favors generally as a rule for large funds a flat grant formula.

Senator Bartlett's eloquent presentation this morning states the case for Alaska. I observed at firsthand last October the conditions in Alaska. I am not going to read what I have said in my formal statement, but the fact is that gasoline is around 50 cents a gallon and that milk is around 50 cents a quart, and I saw schools in quonset huts where the transportation costs up there would be at least half of the total cost of the educational system.

I have this suggestion to make on the affirmative side since hearing Senator Bartlett and talking with the Commissioner of Alaska. I would suggest a proviso in the bill to handle Alaska as a special case such as Puerto Rico, Guam, and the Virgin Islands, and other jurisdictions are handled in some titles of this bill. I don't see how anyone could object to such a proviso, at least the 25 percent additional that is allowed for Federal employment, and it seems to me in this case even more than 25 percent would be justified under the conditions in Alaska which are interesting indeed but certainly difficult for the people who live there.

We are also awaiting word from the Department of the Interior concerning the financing of schools in American Samoa and in the Canal Zone. In a general support bill such as S. 1021 there may be reasons for including these jurisdictions.

I might say for the 15 years I have been dealing with this kind of legislation, here on the witness stand, we have had territories and island dependencies and the District of Columbia in and out and out and in of bills, and I think in this case it is very important that we make certain that we don't make any mistake in such jurisdictions

and such parts of American territory as the Canal Zone and American Samoa.

I hope to have a word from the Department of the Interior on an official basis in a very short time, and I would like to submit it to you, Mr. Chairman, at that time.

Senator MORSE. It will be received and included as a part of the record.

(The document referred to may be found on p. 38.)

Dr. FULLER. We recognize that it is necessary to have a uniform system for all States for allocation of funds among the States. For "teachers," you can define them as they are defined in each State and observe State autonomy in those definitions, but it is not possible to do so in allocating the funds that go to all the States involving a formula which must fairly relate to all States. So the average daily attendance or average daily membership or whatever formula is used for distribution of funds has to be uniform.

#### ADM VERSUS ADA AS FORMULA BASE

We would support a bill with any of these measurements in it, including average daily attendance. But we believe average daily membership is preferable to average daily attendance in this formula. Average daily membership counts students who are enrolled with reasonable regularity in the school rather than those who are actually present each day, and averages about 6 percent higher than average daily attendance.

A change from ADA to ADM would raise the number of pupils counted for the purposes of the formula an average of 6 percent. I should say ADM is the rule in a minority of States and ADA is a rule in the majority of the States.

The advantages of ADM are many. It measures required school facilities better, because when a pupil is absent for a number of days during the year, there is no reduction in the expense for his vacant desk or for the time of the teacher. School health authorities object to average daily attendance because it provides an incentive to keep children in school who are ill and should be at home, in order to build up reimburseable attendance.

Over the years the council has favored more objective measurements than either ADA or ADM in formulas for allocating Federal funds. The Census Bureau's tabulations and official estimates of school-age population 5 to 17 years of age have been almost uniformly recommended and used in Federal legislation. Use of school-age population would be more objective and accurate, simplify bookkeeping, and eliminate financial incentives to report pupils in ADA or ADM too liberally. The school-age population formula would also result in allocation of more Federal funds than either ADA or ADM to States having relatively large numbers of pupils in private schools.

I think Dr. Carr gave the two sides of that question and I would defer to those who feel very strongly about the matter in regard either to the public schools or to the private schools as a group. However, administratively speaking, and on the basis of objectivity and having financial incentives which promote honesty and accurate counting what really is the cost in each school according to this formula, ADM

is better than ADA. The census count is better than either for Federal-State administrative purposes.

#### MAINTENANCE OF EFFORT PROVISION

Section 106 contains well-developed provision for maintenance of effort by State and local governments, intended to prevent the substitution of Federal funds for State and local funds that would otherwise be expended for schools. These provisions are highly appropriate. Our only suggestion here, Mr. Chairman, is that the Commissioner's determinations under section 106(e)(4) be made subject to administrative and judicial processes of appeal and review similar to those provided for the review of State applications in section 111.

Section 108: Federal funds for administration are badly needed for effective State and local administration of S. 1021. Most State legislatures convened last January and will not be in session if and when this bill becomes law.

As a matter of fact, a number of them are already adjourned.

The vital amounts for State administration may be too small in many States, however important they are, to justify Governors in calling special sessions of the State legislatures. Chief State school officers in a number of States regard this section as one of the most necessary portions of the entire bill, considering the importance of effective State administration as the best guarantee of prudence in the distribution, expenditure, and accounting for the Federal funds involved.

Section 109: The special educational projects authorized by this section will make it possible for many States and communities to make educational improvements that would otherwise be impossible. This provides financial leeway to develop new techniques in teaching and research, and to improve educational efficiency in geographical areas having special educational problems, all the way from the run-down cores of many large cities to the rural areas which are very much in need of special assistance, not to mention the fast growing suburban areas where pupils are on half sessions.

A few chief State school officers would prefer more flexibility in the 10 percent authorization, such as "not more than 10 percent" or "between 5 and 10 percent."

Section 110: The so-called freedom of choice provision that restricts the use of Federal funds to public school teachers' salaries and construction of public school facilities. Section 110(a)(2)(A) and (B) leaves less freedom of choice than the chief State school officers believe desirable.

This isn't full freedom of choice by any means under State and local laws and regulations.

Last November, in annual meeting assembled, they voted by a 3 to 1 margin in favor of including teachers' salaries in such legislation as this, but voted 100 percent in favor of including current expenses. This portion of the council's resolution reads as follows:

The State should be free to choose the proportions in which they will use the Federal grants for school construction, capital debt retirement, or current expenses in the maintenance and operation of schools.

Section 110 requires that State applications contain plans to meet the most critical needs within each State for construction and teachers'

salaries. These provisions require States to describe how they will proceed to do this, and a few State officers feel that the language of section 110(a)(3) (A) and (B) is somewhat restrictive. This is not to say that the purposes of the section are unacceptable, but merely that its requirements present very difficult problems for some State officers and could lead to undesirable Federal regulations.

#### IMPACTED AREA POSITION

Titles II and III, extension and amendment of Public Law 874: Telegrams and other messages received from chief State school officers in recent days make it entirely clear that a large majority favor the extension of Public Laws 815 and 874 without substantial amendments. At this point in the record, Mr. Chairman, I would like to introduce 35 telegrams from 35 chief State school officers received within the past 2 days. We sent a rather lengthy printed inquiry that they didn't have time to return because you were so prompt in setting the hearings. And so I sent them a telegram, a followup telegram, and not a leading-question type of telegram. It was simply an objective inquiry as was the written inquiry. We have 35 written answers here, all of them favoring this bill.

Now, being State officials, they have some small differences on small matters, and I hope that these telegrams will be of some assistance to the committee.

Senator MORSE. Dr. Fuller, the copy of your written inquiry to the individuals will be printed at this point in the record and the 35 replies will also be printed. If any more replies come in, they will also be added.

(The material referred to follows:)

MARCH 6, 1961.

Hearings on Kennedy school bill begin in Senate, Wednesday, and council will present testimony on Thursday. President Carroll suggests that you wire us your principal desires on H.R. 4970, whether for or against, position on major provisions, and particularly any changes you feel should be suggested to the Senate committee. Will consider you approve use of your telegram in record of hearings unless you indicate otherwise. Use copies of bill and information mailed to you last week. Need your reactions by Wednesday morning.

Regards,

EDGAR FULLER,

*Executive Secretary, Council of Chief State School Officers.*

MONTGOMERY, ALA., March 7, 1961.

EDGAR FULLER,

*Executive Secretary, Council of Chief State School Officers,  
Washington, D.C.:*

Amend title I, H.R. 4970 by amending section 109, line 4, by substituting the word "may" for "shall" or eliminating section 109 entirely. Amend section 110 by eliminating subsections 3, 4, and 5 and renumbering remaining subsections consecutively.

FRANK R. STEWART,

*State Superintendent of Education.*



Please return one copy and retain one for your files.  
 Send our copy to: Dr. Edgar Fuller, Executive Secretary,  
 CCSSO - 1201 16th Street, N.W., Washington 6, D.C.

No. 108  
 Date March 3, 1961

Kennedy Bill - Aid to Public Elementary and Secondary Schools  
and Continuance of Federal Assistance Laws

Attached is a copy of the Kennedy Administration's proposed bill to provide federal aid to public elementary and secondary schools, and to continue assistance to school districts in areas of federal impact with several important amendments to Public Laws 815 and 874.

We need your opinions on the separate parts of each proposal and on the bill as a whole. Your quick return of this Sentigram will help us present an accurate consensus of the views of chief state school officers in our many contacts here. Please send back the portion of this Sentigram covering Title I without waiting for staff work on the portions covering Titles II and III, if the latter would delay return of the Title I portion.

TITLE I

SCHOOL ASSISTANCE ACT OF 1961 - (H. R. 4970 - S. 1021)

Section 104 - Authorization of Appropriations - Mark One

Favor ☐ Oppose ☐ Comments \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_

Section 105 - Allotments and Payments to States - Mark One

Favor ☐ Oppose ☐ Comments \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_



Sentigram #108

Page 2

Do you favor ADA, ADM, or Census Population aged 5-17 in the definition of "public school pupil" as used in the formula of Section 105 and defined in Section 113 (5)?

ADA ☐ ADM ☐ Census ☐ Comments \_\_\_\_\_

---

---

---

Section 106 - Maintenance and Improvement of State and Local Support for Public School Financing - Mark One:

Favor ☐ Oppose ☐ Comments \_\_\_\_\_

---

---

---

Section 108 - State Agency Administrative Costs - Mark One:

Favor ☐ Oppose ☐ Comments \_\_\_\_\_

---

---

Section 109 - Special Educational Projects - Mark One:

Favor ☐ Oppose ☐ Comments \_\_\_\_\_

---

---

---

---

Sentigram #108

Page 3

Section 110 - State Applications - Mark One:

Favor ☐                      Oppose ☐                      Comments \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Section 111 - Review of State Applications - Mark One:

Favor ☐                      Oppose ☐                      Comments \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Section 113 - Definitions

Favor the following definitions, listed by sub-sections: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Oppose the following definitions, listed by sub-sections: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Comments: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Seutigram #108

Page 4

IN YOUR OPINION SHOULD THE SCHOOL ASSISTANCE ACT OF 1961.

BE PASSED ☐ BE DEFEATED ☐ COMMENTS \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

State \_\_\_\_\_

Signature of Chief State School Officer \_\_\_\_\_

Date \_\_\_\_\_

Sentigram = 10~

Page 1

TITLE II

AMENDMENTS TO PUBLIC LAW 874

(H. R. 4970 - S. 1021)

What should the Council Favor or Oppose in this Title?

[illegible]

State \_\_\_\_\_

Signature of Chief State School Officer \_\_\_\_\_

Date \_\_\_\_\_

**Sentugram #108**

**Page 6**

TITLE III

AMENDMENTS TO PUBLIC LAW 915

(H. K. 4970 - S.1021)

**What should the Council Favor or Oppose in this Title?**

This image shows a single page of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There is no handwriting or other markings on the paper.

State \_\_\_\_\_

Signature of Chief State School Officer \_\_\_\_\_

Date \_\_\_\_\_

PHOENIX, ARIZ., March 7, 1961.

EDGAR FULLER,  
*Executive Secretary, Council of Chief State School Officers,*  
*Washington, D.C.:*

Re your wire concerning H.R. 4970, my position is approval of the entire proposed bill except that portion reducing Federal payment per child under Public Laws 874 and 815 from the present 50 percent of districts LCR to 25 percent. This portion of the bill would force a great hardship on approximately 100 of the school districts in our State.

W. W. "SKIPPER" DICK,  
*Superintendent of Public Instruction.*

---

LITTLE ROCK, ARK., March 8, 1961.

Dr. EDGAR FULLER,  
*Executive Secretary, Council of Chief State School Officers,*  
*Washington, D.C.:*

The Council of Chief State School Officers recommended that Federal funds for general education provide for the States to make their own choices with reference to expenditures for teachers' salaries, schoolhouse construction, and current expenses. I concur wholeheartedly in this recommendation and recommend that S. 1021 make provision for these expenditures at the option of the State boards of educating.

A. W. FORD,  
*Arkansas Commissioner of Education.*

---

SACRAMENTO, CALIF., March 8, 1961.

Dr. EDGAR FULLER,  
*Executive Secretary, Council of Chief State School Officers,*  
*Washington, D.C.:*

We are in accord generally with the provisions of H.R. 4970 with exceptions to changes in Public Laws 874 and 815 in title 2 and 3, which we oppose. We strongly support the continuance of Public Laws 874 and 815 as in effect this year (1960-61), with full entitlement for B category children. We further believe the inclusion of titles 2 and 3 in H.R. 4970 is a mistake and purpose they be amended out of the bill so that we may give unqualified support to the School Assistance Act of 1961. Titles 2 and 3 should be handled in a separate bill such as S. 1078.

ROY E. SIMPSON,  
*Superintendent of Public Instruction.*

---

JUNEAU, ALASKA, March 8, 1961.

EDGAR FULLER,  
*Executive Secretary, National Council of Chief State School Officers,*  
*Washington, D.C.:*

Re proposed admendments to Public Law 874. Reduction in percentage of pupil costs for 3A and 3B pupils will be severe financial loss to State department and incorporated school districts. Based upon entitlements for fiscal 1960, the following reductions would apply: State department, \$4,614,539 to \$2,307,269; districts, 1,286,351 to 643,175; total decrease, \$2,950,445.

Fiscal 1961 applications reflect substantial increases, especially State department, but complete information as to effect of possible decrease not available at this time; however, seriousness of loss correspondingly greater.

National averages on percentages of Federal nontaxable lands not applicable to Alaska. Approximately 95.5 percent of land still under Federal jurisdiction. This is particularly applicable to Alaska 1 school district which covers entire State with exception of areas within incorporated school districts and cities. State department also operates schools on military bases and FAA stations. Their operating cost alone exceeds estimated entitlement under proposed changes. Estimated receipts under H.R. 4970 of \$555,000 would be negligible

in comparison to 874 and 815 decreases. Public Law 815 loss would seriously curtail needed construction in Federally affected areas.

THEO J. NORBY,  
*Commissioner, Alaska State Department of Education.*

DENVER, COLO., March 8, 1961.

EDGAR FULLER,  
*Council of Chief State School Officers,  
Washington, D.C.*

Approve Kennedy school bill. See sentigram for minor objections.

BYRON HANSFORD.

HARTFORD, CONN., March 8, 1961.

EDGAR FULLER,  
*Executive Secretary, Council of Chief State School Officers,  
Washington, D.C.*

Will support H.R. 4970.

WILLIAM J. SANDERS,  
*Commissioner of Education.*

TALLAHASSEE, FLA., March 8, 1961.

EDGAR FULLER,  
*Executive Secretary, Council of Chief State School Officers,  
Washington, D.C.:*

Reurtel provisions of H.R. 4970 should apply to junior colleges when organized as part of public school system. Sections 108 and 109 appear unnecessarily restrictive. Section 110 ignores maintenance, transportation, textbooks, and other essential areas of expenditure necessary for overall improvement of education. In section 111 reporting and accounting procedures should be kept at minimum consistent with sound fiscal practices. Multitude of plans, records, and reports will inflate administrative costs and detract from basic objective of bill. Titles II and III are of special concern. Favor retention of rates now established for Public Law 874 and Public Law 815. Additional assistance under H.R. 4970 would largely be nullified if rate reduced from 50 percent to 25 percent. Under Florida county unit system increase in required percentage of federally connected pupils will eliminate many large counties thus discriminating against large efficient school systems and rewarding small less efficiently organized systems. Favor legislation making present provisions of Public Law 874 and Public Law 815 permanent. Constitutional \$5,000 homestead exemption increases Florida's reliance on commercial and industrial property for local tax purposes. Sentigram is in mail.

THOMAS D. BAILEY,  
*State Superintendent.*

ATLANTA, GA., March 8, 1961.

Dr. EDGAR FULLER,  
*Executive Secretary, Council Chief State School Officers,  
Washington, D.C.:*

Re your telegram I favor passage of Kennedy bill as drawn except for sections on Public Laws 874 and 815. These bills should be continued in force as they now are until such a time as general Federal aid is firmly established.

CLAUDE PURCELL,  
*State Superintendent of Schools, State Office Building.*

BOISE, IDAHO, March 8, 1961.

Dr. EDGAR FULLER,  
*Executive Secretary, Chief State School Officers,  
Washington, D.C.:*

General Federal school aid for all purposes is aid for all districts. When we include in a new bill existing laws such as Public Law 874 and Public Law 815 to reduce aid to districts that have been receiving Federal aid our goal is not achieved. Public Law 815 and Public Law 874 should not be reduced. In H.R. 4970 these laws produce money that takes the place of local tax money on Federal



lands. We in Idaho need this base because of our abundance of Federal lands. If the reduction in Public Law 874 and Public Law 815 remains a part of H.R. 4970 it will force Idaho to put more money into buildings and leave very little for teacher help (salaries) which is badly needed. The content of H.R. 4970 is helpful, good, and acceptable in Idaho if reference to Public Law 815 and Public Law 874 is deleted from the bill. If these two laws are to be amended they should be amended as separate bills.

D. F. ENGELKING,  
*State Superintendent of Public Instruction.*

---

SPRINGFIELD, ILL., March 8, 1961.

Dr. EDGAR FULLER,  
*Executive Secretary, CCSSO,*  
*Washington, D.C.:*

I am in general agreement with the provisions of H.R. 4970. Section 105 should define "number of public school pupils"—ADA against administration. However, I strongly urge that Public Laws 874 and 815 be eliminated from consideration in conjunction with the general aid to education measure. Those laws should be considered separately because their underlying philosophy is so totally removed from that of general Federal aid to education.

GEORGE T. WILKINS,  
*Superintendent of Public Instruction, State of Illinois.*

---

INDIANAPOLIS, IND., March 7, 1961.

EDGAR FULLER,  
*Executive Secretary, Council of Chief State School Officers, Department of*  
*Health, Education, and Welfare, 1201 16th Street NW., Washington, D.C.:*

We favor H.R. 4970 and feel that it is very important that this becomes a law immediately.

WILLIAM E. WILSON,  
*Superintendent, Public Instruction, State Department of Education.*

---

DES MOINES, IOWA, March 8, 1961.

EDGAR FULLER,  
*Executive Secretary, Council of Chief State School Officers,*  
*Washington, D.C.:*

H.R. 4970 suggest reference to effort in section 105 be eliminated object to section 106 section 108 lower limit of 10 cents per child won't pay administrative and supervision costs. Section 110 subsection 3 subsection B is going to be difficult to administer. Subsection 7 terminology too broad if it might imply educational agency to be the endorsing agency. Other sections need to be clarified concerning effort.

PAUL F. JOHNSON,  
*State Superintendent, Department of Public Instruction.*

---

FRANKFORT, KY., March 7, 1961.

Hon. EDGAR FULLER,  
*Executive Secretary, Council of Chief State School Officers,*  
*Washington, D.C.:*

Reference H.R. 4970, we strongly urge Federal aid for education and generally endorse the President's proposal. Have studied bill in regard to formula for distribution and provisions concerning Federal control. We are willing to accept the wisdom of the administration and Congress in working out minor changes. Wish to impress upon you the urgency for Federal aid for teachers salaries and school construction in Kentucky at this time.

WENDELL P. BUTLER,  
*Superintendent of Public Instruction, Kentucky Department of Education.*

AUGUSTA, MAINE, *March 8, 1961.*

Dr. EDGAR FULLER,  
*Executive Secretary, Council of Chief State School Officers,*  
*Washington, D.C.:*

Title 1 of H.R. 4970 appears to us to have considerable merit it would provide the State of Maine with much needed assistance for construction and teachers salaries. This act would allow the State board of education to determine how the money allotted to Maine would be allocated to local units in accordance with the needs of the municipalities without undue restrictions. Early passage is recommended.

Suggest that section 109 authorize expenditures for special projects up to 10 percent of a State's allotment but make this permissive rather than mandatory by changing "shall" to "may" in line 4. In section 102 salary money may be used only for "additional" teachers but section 110 3(b) indicates increases in present teachers salaries may be approved.

Title 2 (Public Law 874) we favor section 201 making permanent provision for section 2 of Public Law 874 but fail to see the logic of reducing payments under sections 202, 203, 206, and 302 and believe this would work a hardship on a number of Maine communities.

Title 3 (Public Law 815) favor section 305, but favor retention of other provisions in present law.

WARREN G. HILL,  
*Commissioner of Education, Augusta, Maine.*

---

BOSTON, MASS., *March 8, 1961.*

Dr. EDGAR FULLER,  
*Council of Chief State School Officers,*  
*Washington, D.C.:*

Essential that quality programs of education be underwritten through all-out effort on local and Federal levels. Although Massachusetts would receive minimum assistance, we recognize national dimensions of problem and, therefore, support President Kennedy's program. Support also recorded for federally impacted areas. One hundred and fifty-eight eligible cities and towns presently receiving net entitlement in excess of \$4 million.

OWEN B. KIERNAN,  
*Commissioner of Education.*

---

LANSING, MICH., *March 7, 1961.*

Dr. EDGAR FULLER,  
*Executive Secretary, Council of Chief State School Officers,*  
*Washington, D.C.:*

I am in concurrence with all sections of H.R. 4970 except titles II and III. I do not object to these titles as a part of this bill. I do object to the suggested or amended forms. Public Laws 815 and 874 should be continued in their present form.

LYNN M. BARTLETT,  
*Superintendent of Public Instruction.*

---

ST. PAUL, MINN., *March 7, 1961.*

Dr. EDGAR FULLER,  
*Executive Secretary, Council of Chief State School Officers,*  
*Washington, D.C.:*

Re H.R. 4970 allotment of payments to States based on number of pupils, income per pupil, and State "effort" seems commendable provision for State administration. Seems inadequate in view of administrative details involved. The 10 percent of State allotment to be spent on research at the local level is commendable, perhaps too high. A portion should probably be made available to the State agency for planning and directing.

DEAN M. SCHWEICKHARD,  
*Commissioner of Education.*

JEFFERSON CITY, Mo., March 8, 1961.

Dr. EDGAR FULLER,  
*Executive Secretary, National Council Chief State School Officers,*  
*Washington, D.C.:*

Sorry I was out and couldn't answer wire until this afternoon. We are for major provisions of H.R. 4970. Ten percent for special projects seems too great.

HUBERT WHEELER.

JACKSON, Miss., March 7, 1961.

EDGAR FULLER,  
*Executive Secretary, Council of Chief State School Officers,*  
*Washington, D.C.:*

In re H.R. 4970, am in agreement with basic provisions of 4970, however, suggest the following be given due consideration:

Not sure from the language of the bill whether money could be used for increasing teachers salaries as determined under our foundation program or whether it would be restricted to additional teachers. Would not want it to be restricted altogether to additional teachers. Would prefer the bill be so worded that money for teachers' salaries be allotted to school districts on the basis of State laws governing such allotments.

Section 109 states that the State agency shall set aside an amount equal to 10 percent of the sums allotted to it each year for paying part of the cost of pilot, demonstration, or experimental projects. It seems to me this should read: "Not to exceed 10 percent." I also suggest that "shall" be changed to "may."

Perhaps will have other comments when I have had time to study bill more thoroughly. Call on me for any information I may be able to furnish you.

J. M. TUBB,  
*State Superintendent of Education.*

LINCOLN, NEBR., March 7, 1961.

Dr. EDGAR FULLER,  
*Secretary, Chief State School Officers,*  
*Washington, D.C.:*

State department of education takes no stand on Kennedy bill pending ultimate outcome and provisions.

F. B. DECKER,  
*Commissioner of Education, State of Nebraska.*

CONCORD, N.H., March 5, 1961.

Dr. EDGAR FULLER,  
*Council Chief State School Officers,*  
*Washington, D.C.:*

Have carefully examined school assistance act as it would apply to New Hampshire. Title I would be of tremendous help to this State. Favor assistance for both construction and teachers salaries. Would prefer use of average daily membership instead of average daily attendance in formula computations. Believe bill is drafted to provide a minimum of Federal interference. Not in favor of section 112 relative to wage rates for small communities. Amendments to Public Law 874 in title II would create a hardship on applicants. Reduction in Federal payment per pupil and eligibility increased to 4-6 percent should be vigorously opposed by the council.

CHARLES F. RITCH, Jr.,  
*Commissioner of Education, Concord, N.H.*

SANTA FE, N. MEX., March 7, 1961.

Dr. EDGAR FULLER,  
*Executive Secretary, Council of Chief State School Officers,*  
*Washington, D.C.:*

Endorse H.R. 4970, except we want restoration under Public Laws 815 and 874 provisions to 50 percent of per pupil cost. Twenty-five percent as provided would seriously hurt us.

Regards.

TOM WILEY.

*Superintendent of Public Instruction, State Department of Education.*

---

ALBANY, N.Y., March 8, 1961.

Dr. EDGAR FULLER,  
*Executive Secretary, Council of Chief State School Officers,*  
*Washington, D.C.:*

Re H.R. 4970 I favor generally but would strongly suggest amendment to section 110 to make no stipulation as to purpose for which funds allocated. Also favor 10 percent provision for special projects, further comments contained in sentigram being mailed today.

JAMES E. ALLEN, Jr.

---

CARSON CITY, NEV., March 8, 1961.

Dr. EDGAR FULLER,  
*Executive Secretary, Council of Chief State School Officers,*  
*Washington, D.C.:*

Favor H.R. 4970 accept major provisions. Reduction of payment per child from 50 percent to 25 percent section 202 and section 301 will adversely affect Nevada.

BYRON F. STETLER,

*Superintendent of Public Instruction, Nevada State Department of Education.*

---

SALEM, OREG., March 7, 1961.

Dr. EDGAR FULLER,  
*Executive Secretary, Council of Chief State School Officers,*  
*Washington, D.C.:*

Favor passage of Kennedy school bill with elimination of reduction indicated in Public Law 874 and Public Law 815. Prefer ADM to ADA to determine child count.

LEON P. MINEAR,

*Superintendent, Public Instruction.*

---

HARRISBURG, PA.,

March 8, 1961.

Dr. EDGAR FULLER,  
*Executive Secretary,*  
*Council of Chief State School Officers,*  
*Washington, D.C.:*

In full accord and support of the administration's public school bill H.R. 4970. Will write you at greater length on details on this support.

CHARLES H. BOEHM,

*Superintendent of Public Instruction.*

---

PROVIDENCE, R.I., March 7, 1961.

Dr. EDGAR FULLER,  
*Executive Secretary,*  
*Council of Chief State School Officers,*  
*Washington, D.C.:*

I believe the Kennedy bill should be given every support for passage in Congress. Although it is a modest approach to the need that faces the Nation in the development of a strong educational program, nevertheless it is a sound

beginning which can be the instrument of sound financial assistance to assure the youth of our Nation the opportunity for the educational cultural growth that will be necessary for them to face the issues of this and future generations. I believe the important factor now is to have Congress accept the principles of this bill and whatever objections minorities may have, I believe, should be brought to the attention of Congress for consideration and moderation once the bill has been put into operation. I would suggest further that you bring to the attention of the committee that it would seem that now is the appropriate time to channel all financial assistance from the Federal Government to the respective States into one pattern eliminating special education as far as possible. But making provisions for the individual State to have sufficient funds so that wherever inequities exist, whether it is due to depressed areas, or impacted areas or for any other reason that affects the economy of the area, the State is in a better position to know and understand the condition and to make adjustments logically and reasonably. This type of relationship should be similar to the one that we have in Rhode Island where the State shares with the local community in the financing of education. There is no reason, in my opinion, why this could not develop into a triangulate whereby the Federal Government, the State, and the local communities pool their resources to make certain that every child, wherever that child may live, will be assured of a good education regardless.

MICHAEL F. WALSH,  
*Commissioner of Education, Rhode Island.*

---

PIERRE, S. DAK., March 8, 1961.

EDGAR FULLER,  
*Executive Secretary,*  
*Council of Chief State School Officers,*  
*Washington, D.C.:*

Title I, H.R. 4970 acceptable, prefer amendment to allow distribution for maintenance and operational cost rather than restricted to teachers salary. Title II and adequate for South Dakota conditions, recommend public law 874 be continued under present provisions. Recommend Title III be amended to provide Federal assistance for federally affected children who reside either on or off Federal property.

M. F. CODDINGTON,  
*State Superintendent, Department of Public Instructions.*

---

NASHVILLE, TENN., March 8, 1961.

Dr. EDGAR FULLER,  
*Executive Secretary,*  
*Council of Chief State School Officers,*  
*Washington, D.C.:*

We are very favorable to Title I of House Bill 4970. Titles II and III should be considered on individual merit and not as a part of general Federal assistance. Amendments to existing laws in Titles II and III would work hardship on school systems in federally impacted areas.

JOE MORGAN, *Commissioner.*

---

MONTPELIER, VT., March 8, 1961.

Dr. EDGAR FULLER,  
*Executive Secretary,*  
*Council of Chief State School Officers,*  
*Washington, D.C.:*

My reactions to H.R. 4970 are generally favorable. Something like this is badly needed.

JOHN HOLDEN.

OLYMPIA, WASH.

Mr. EDGAR FULLER,  
*Executive Secretary,*  
*Council of Chief State School Officers,*  
*Washington, D.C.:*

Support general provision H.R. 4970 except for amendments to public law 87 and 815. Federal impact areas need same consideration as given in past regardless of action taken on general Federal aid.

LOUIS BRUNO,  
*Superintendent of Public Institute.*

---

CHARLESTON, W. VA., March 8, 1961.

Dr. EDGAR FULLER,  
*Executive Secretary, Council of Chief State School Officers,*  
*Washington, D.C.:*

Reference is made to H.R. 4970 concerning Federal aid to education. West Virginia favors the general provisions of this proposal. Suggest that Federal grants be made for school construction, capitol debt retirement, or current expenses in the maintenance and operation of schools with State free to choose the proportions to be expended. West Virginia State law raises some questions concerning expenditure of Federal funds specifically allocated to teachers' salaries. We subscribe to provision whereby Federal funds can be applied to most critical areas of education expenditure. Need for adequate education support far exceeds ability of State, therefore Federal aid urgently requested.

REX M. SMITH,  
*Assistant State Superintendent of West Virginia Schools.*

---

MADISON, WIS., March 7, 1961.

Mr. EDGAR FULLER,  
*Council of Chief State School Officers,*  
*Washington, D.C.:*

Would approve philosophy and main provisions of title I, H.R. 4970. Disapprove titles II and III as being inadequate and insufficient recognition of impact.

G. E. WATSON,  
*Wisconsin Department of Public Instructions.*

---

From Hawaii:

We are in accord with the general aid proposal to public schools contained in H.R. 4970. We would prefer to maintain present wording in assistance in 815 and 874.

WALTON GORDON,  
*Commissioner of Education.*

---

From Guam:

Copy of Kennedy school bill not yet received. If proposed, would favor: Aid for State administration; general aid for use by States for construction, salaries, and other purposes related to improvement of education; aid for public schools only; flat grant of \$20 ADA plus \$30 to States, not to cities.

JOHN R. TRACE,  
*Director of Education.*

Dr. FULLER. I would like also to insert in the record at the close of the testimony the relevant resolutions and legislative policies adopted by the council last November in the annual meeting.

Senator MORSE. The resolution will be printed following your testimony. (See p. 325.)

Dr. FULLER. I would like to make just one more comment, Mr. Chairman, and that is on this broader freedom-of-choice item. If you have the Federal funds used only for teachers' salaries and construction, you may have a situation something like the following illustration.

The problem was mentioned this morning, and what I am going to suggest would cure the situation that was said in testimony this morning not to have a cure under this bill as written.

If a State were to allocate to all of its districts for instance, 75 percent of the Federal funds for teachers' salaries and 25 percent of the Federal funds for construction of schools, and a school district had bonded itself to the legal limit and had just built its school plant completely for the next 5, 10, or 15 years, then there may be no way under this bill as it is now written for this school district to use the 25 percent that the State allocates for construction, even though the district is very poor.

You will notice in the resolutions of the chief State school officers that they thought there ought to be a freedom of choice in the State to pay for retirement of bonds for buildings already built. If a school district should have a bill of \$10,000 a year for interest on bonds for buildings that had been built to last them for the next 10 or 20 years, it seems to me entirely reasonable and in accord with the spirit of this bill to allow the States to have as an additional option the payment of interest on bonds that have made the buildings possible.

So far as current expenses are concerned, we have no fixed and hard ideas on those either. But I rather suspect, after many years of experience here in dealing with this sort of legislation, that your committee and the corresponding committee under Mr. Bailey in the House will sooner or later come up against a question about whether to make the authorization of Federal funds strictly for teachers' salaries as such or to make that part of the authorization for current expenses and debt retirement.

I will be glad to go into much more detail with you—State-by-State—at the subcommittee's pleasure. I did meet with 10 chief State school officers in San Francisco 10 days ago and they were unanimously in favor of the present policies of the council on these points.

I appreciate very much being here, but I want to get through as fast as I can. I think I shall stop monologing in order to answer questions.

Senator MORSE. Dr. Fuller, let the record show that your full printed statement will be inserted in the record in addition to the comments on the statement by the witness.

(The prepared statement of Dr. Fuller follows:)

**PREPARED STATEMENT BY DR. EDGAR FULLER, EXECUTIVE SECRETARY, COUNCIL OF CHIEF STATE SCHOOL OFFICERS**

Mr. Chairman and members of the subcommittee, I am Edgar Fuller, executive secretary of the Council of Chief State School Officers, and I appear here on behalf of the council in general support of S. 1021. The members of the council are the State superintendents and State commissioners of education of the 50 States and the chief school officers of Puerto Rico, the Virgin Islands, the Canal Zone, Guam, and American Samoa. They are the legal officers of the States and territories for public elementary and secondary education and will be responsible for State-level administration of S. 1021 or similar legislation. The State officers not only handle the administrative relationships with the Federal Government, but also allocate funds, provide assistance for programs, and receive reports from nearly 40,000 local school districts.

**GENERAL ISSUES (TITLE I)**

**Purposes**

Title I of S. 1021 states that "it is the intent of Congress that with this assistance the quality of public elementary and secondary education will be substantially improved in all States and that inequalities of educational opportunities



within and between States will be substantially reduced." This is precisely the position of the chief State school officers in regard to the financing of public elementary and secondary education throughout the country.

### *Need*

The need for legislation such as S. 1021 has long been clear and has been well stated by Secretary Ribicoff before this committee. For the long term, the national defense and welfare depends largely upon the best possible education of all Americans. A larger investment in education is required to do this, and Federal sharing of the additional expenditures is necessary.

At present, the States pay about 40 percent of the total cost of public education, and local school districts pay approximately 55 percent. The current Federal share is about 5 percent, which would be increased by S. 1021 to approximately 10 percent. This is a modest Federal share for the 3 critical years ahead.

The broader and more effective Federal tax system dominates the local and State tax systems, and impinges strongly on local and State tax sources. In spite of the devastating Federal competition, State and local governments have managed to increase their tax revenues much faster than the Federal Government during the past 15 years. During the same period their debt has increased at a rate approximately 39 times faster than the Federal debt. State and local funds are increasingly difficult to obtain. A more equitable allocation of responsibility for the support of public education among the three levels of government is needed.

It is sometimes asserted by persons opposed to Federal support that local, State, and Federal taxes "all come from the same place anyway." This is not so. The real estate tax to raise \$10,000 for local school purposes, for instance, may be devastating to the local marginal farmer when his share is \$100, for the reason that the property tax often tends to fall with special force on persons least able to pay. State taxes, partly regressive but usually more equitable than local real estate taxes for educational purposes, might in an average State cut this farmer's share of the \$10,000 to \$50. If the Federal Government supplies the \$10,000, his share would ordinarily be much less—perhaps \$10. Each tax system operates differently in identifying taxpayers and determining the amounts they pay.

### *Matching and maintenance of State and local effort*

State and local matching of Federal funds as a condition precedent for receipt of Federal funds has been a fetish of those who oppose or are lukewarm to Federal support of education. Such matching requires redtape and delays action. Sometimes it prevents use of Federal funds at all in the local districts and States that need them most. S. 1021 does not mandate such State and local matching, but is careful to provide strong incentives for maintenance of State effort through a system of financial penalties for failure to do so.

The authors of this bill know that the States and localities are already matching the Federal Government 19 to 1 on public school support. The present situation demands more reasonable Federal matching of the 95 percent paid by States and local districts, together with maintenance of State and local financial support of public education at or above present levels.

### *Federal control*

Federal controls are fortunately lacking in S. 1021. We agree with the 1955 White House Conference on Education in opposing "\* \* \* any Federal control over educational use of funds in local districts," and believe the delegates of that Conference were sound in their refusal to interpret fiscal accounting by the States to the Federal Government as Federal control of education.

The respective responsibilities of the three levels of government have been appropriately outlined in S. 1021. Local school districts are required to account to the States for the Federal funds they have received. The States then account to the Federal Government for all Federal funds received by them. The Federal Government cannot control the content of what is taught in the schools under this bill, and it therefore permits no Federal control of education as such control is properly defined.

### *Amendments injecting new issues*

The principle established by the first amendment to the U.S. Constitution has been fully observed by S. 1021, and the council supports the views of President Kennedy in regard to the bill. We hope that no amendments raising questions of constitutional law in education will be attached to it. Legislation concerning

public funds for public schools should be decided on its own merits at all levels of government.

Amendments to withhold Federal funds from States or local school districts for failure to desegregate schools have been used as vehicles to defeat legislation similar to this bill. We strongly recommend passage of S. 1021 without such extraneous amendments.

It is highly unfair to expect the schools to assume the major effort to enforce desegregation, which is a political, social, and economic problem prevading all aspects of society. The very education needed to reach solutions to this problem would be denied by withholding funds from schools. The problem cannot be solved by such tactics, and public education itself would become the major victim. Violations of civil rights should be dealt with by specialized law enforcement agencies, rather than through punitive and ineffective administrative methods that primarily injure innocent pupils and undermine the schools.

#### SPECIFIC PROVISIONS (TITLE I)

##### *Section 104*

The appropriations authorized in S. 1021, considering the state of the economy and the national budget situation, are reasonable.

##### *Section 105*

The formula for allocation, at least for a 3-year term, is generally satisfactory, although the council's policy favors generally as a rule for a large fund a flat grant formula.

We suggest that the committee examine the situation in Alaska as a possible special case, because of the inflationary prices and special difficulties in conducting a satisfactory educational system in that State. In terms of relative per capita personal income, Alaska ranks high among the States, and would receive the minimum \$15 per pupil per year under S. 1021. But this per capita income level is misleading because prices are so high in Alaska. With gasoline around 50 cents a gallon and milk near 50 cents a quart, and with other living expenses in proportion, the equalization formula scarcely does justice to Alaska. Schools are extremely expensive to operate in that State.

We are also awaiting word from the Department of the Interior concerning the financing of schools in American Samoa and in the Canal Zone. In a general support bill such as S. 1021, there may be reasons for including these jurisdictions.

We recognize that it is necessary to have a uniform system for all States for allocation of funds among the States. We believe average daily membership is preferable to average daily attendance in this formula. Average daily membership counts students who are enrolled with reasonable regularity in the school rather than those who are actually present each day, and averages about 6 percent higher than average daily attendance. Changing from average daily attendance to average daily membership would thus raise the number of pupils counted for the purposes of the formula an average of 6 percent.

The advantages of average daily membership are many. It measures required school facilities better, because when a pupil is absent for a number of days during the year, there is no reduction in the expense for his vacant desk or for the time of the teacher. School health authorities object to average daily attendance because it provides an incentive to keep children in school who are ill and should be at home, in order to build up reimbursable attendance.

Over the years, the council has favored more objective measurements than either average daily attendance or average daily membership in formulas for allocating Federal funds. The Census Bureau's tabulations and official estimates of school-age population 5 to 17 years of age have been almost uniformly recommended and used in Federal legislation. Use of school-age population would be more objective and accurate, simplify bookkeeping, and eliminate financial incentives to report pupils in average daily attendance (or average daily membership) too liberally. The school-age population formula would also result in allocation of more Federal funds than either average daily attendance or average daily membership to States having relatively large numbers of pupils in private schools.

##### *Section 106*

This is a well-developed provision for maintenance of effort by State and local governments, intended to prevent the substitution of Federal funds for State and local funds that would otherwise be expended for schools. When a State fails to maintain its public school expenditures at the average of the 3 preceding years, its Federal funds are reduced by the difference. An additional

provision, applicable only to States below the national average in their efforts to finance public education, further penalizes States that fall behind the national average effort. No State can lose more than one-third of its Federal funds in a single year.

These provisions are highly appropriate. Our only suggestion here is that the Commissioner's determinations under section 106(e)(4) be made subject to administrative and judicial processes of appeal and review similar to those provided for the review of State applications in section 111.

#### *Section 108*

Federal funds for administration are badly needed for effective State and local administration of S. 1021. Most State legislatures convened last January, and will not be in session if and when this bill becomes law. The vital amounts for State administration may be too small in many States, however important they are, to justify Governors in calling special sessions of the State legislatures. Chief State school officers in a number of States regard this section as one of the most necessary portions of the entire bill, considering the importance of effective State administration as the best guarantee of prudence in the distribution, expenditure, and accounting for the Federal funds involved.

#### *Section 109*

The special educational projects authorized by this section will make it possible for many States and communities to make educational improvements that would otherwise be impossible. This provides financial leeway to develop new techniques in teaching and research, and to improve educational efficiency in geographical areas having special educational problems. A few chief State school officers would prefer more flexibility in the 10-percent authorization, such as "not more than 10 percent" or "between 5 and 10 percent."

#### *Section 110*

The so-called freedom-of-choice provision that restricts the use of Federal funds to public school teachers salaries and construction of public school facilities (sec. 110(a)(2)(A) and (B) leaves less freedom of choice than the chief State school officers believe desirable. Last November, in annual meeting assembled, they voted by a 3-to-1 margin in favor of including teachers salaries in such legislation as this, but voted 100 percent in favor of including current expenses. This portion of the council's resolution reads as follows:

"The States should be free to choose the proportions in which they will use the Federal grants for school construction, capital debt retirement, or current expenses in the maintenance and operation of schools."

Section 110 requires that State applications contain plans to meet the most critical needs within each State for construction and teachers salaries. These provisions require States to describe how they will proceed to do this, and a few State officers feel that the language of section 110(a)(3)(A) and (B) is somewhat restrictive. This is not to say that the purposes of the section are unacceptable, but merely that its requirements present very difficult problems for some State officers and could lead to undesirable Federal regulations.

#### EXTENSION AND AMENDMENT OF PUBLIC LAW 874 (TITLE II)

Telegrams and other messages received from chief State school officers in recent days make it entirely clear that a large majority favor the extension of Public Laws 815 and 874 without substantial amendments.

In the case of Federal payments for children under section 3(b) of Public Law 874, the immediate reduction from 50 to 25 percent of the local contribution rate is regarded as one that will damage education in many States. In Alaska, for instance, it would create a very serious situation. We urgently recommend that this reduction not be made.

Another particular concern is about the so-called absorption clause of section 3(b), which would provide that the absorption rate would gradually increase to 6 percent by 1964.

#### EXTENSION AND AMENDMENT OF PUBLIC LAW 815 (TITLE II)

Most chief State school officers indicate that their position on Public Law 815 is essentially the same as on Public Law 874.

Section 301(a)(5)(a) parallels a proposed amendment to Public Law 874 by reducing from 50 to 25 percent the limit on construction funds for the

so-called section 3(b) federally connected children. The same reasons for opposing this reduction apply to this section as to the proposed amendment of section 3(b) discussed under title II.

The council approves section 306(a) extending Public Law 815 to July 1, 1966, authorizing construction of school facilities on Indian lands, and raising the Federal authorization from \$40 million to \$60 million.

Mr. Chairman, I appreciate very much the privilege of presenting this testimony and would like permission to file for the record at this point the most recent resolutions of the Council of Chief State School Officers on Federal legislation concerning education.

Thank you.

Senator MORSE. I want to congratulate you on what I know is going to be a very helpful statement to this subcommittee. You have covered some of the most difficult points which we are going to have to face up to in executive sessions and I thank you very much. I reserve the right, as we have with previous witnesses, to ask you to submit memorandums in answer to questions we may wish to send to you by mail at a later date.

Senator Yarborough, questions?

Senator YARBOROUGH. Dr. Fuller, your statement covers many points worthy of consideration by this subcommittee—all of them. One I particularly want to emphasize is that answer that you gave to this assertion by those who oppose Federal education, that the tax money comes from the same place anyway.

Dr. FULLER. I didn't read that one.

Senator YARBOROUGH. I want to point out it doesn't; and as you have really pointed out, the real estate tax to raise \$10,000 additional for local school purposes, for instance, you say may be devastating to the local marginal farmer when his share is \$100, for the reason that the property tax often tends to fall with special force on persons least able to pay. It is not only devastating to the marginal farmer but the marginal rancher, those who are having a hard time hanging on. It is devastating to the homeowner on a limited income in a city who is trying to pay his home out. It falls heaviest on him. He has no influential voice on the school board and the city council when they levy taxes and you very courageously point out in your statement that these are some of the most inequitable of all taxes in the country because of the valuation of the system on which those taxes are based, and succeeded without elaboration on a corollary, that this Federal system is the only way to broaden this source of tax revenue to reach out into areas where the money of the country, the representative wealth of the country, has been concentrated, and to spread that out into areas that are contributing to that enriched economy, to get that enriched economy that is getting the profit off the whole country to spread some of that profit back over the areas from which it is making the profit.

Dr. FULLER. I have been trying to emphasize for many years several of these points, and one of the most important you referred to, Senator Yarborough. The State legislatures which vote from State sources 40 percent of the total cost of education—the Federal amount being asked for here is 5 percent or less—say that when they face up to the fiscal realities at the State level where State and local debt has increased 350 percent in the last 12 or 14 years, while the Federal debt was increasing 6 or 8 percent, the thing they face is as follows:

If they want to spend a dollar for highways, they can get 9 Federal dollars. If they are willing to pull out the billboards, it will

be \$9 plus. If they want to extend their welfare or health services, they can get matching money from the Federal Government to help them do it. If they want to build hospitals, they can in many instances get \$3 of Federal money for each dollar of their own. And so on through the list.

This gives the services which are competing for the State dollar in State legislatures a very great advantage over education. If they vote \$1 for education, education gets \$1. If they vote \$1 for roads, roads get \$10. And this brings business and it builds roads and it doesn't cost the people in the State, immediately at least, as much, money as education costs. This competition has made it hard to get money at the State level for education.

Senator YARBOROUGH. And it gets road contracts let by State officials to spend Federal money, contracts let by State officials to spend that money.

Dr. FULLER. All these domestic services that have State agencies, along with the State departments of education, have their networks of political influence throughout the respective States. This influence is very easy for other departments such as roads to exercise when it is a choice whether to raise the State level for education from 20 percent of the cost to 25 percent of the cost, say, or whether to take that extra money and use it to match liberal Federal funds for such areas as roads.

This is one thing that is so devastating in the field of State support of education with which our people deal all the time, that we feel that the Federal support here is extremely necessary for education.

Senator YARBOROUGH. Dr. Fuller, in what percent of the States are the schoolbuildings built entirely with the local districts and in what percent of the States does the Government participate with money from the State thereon on the building of buildings?

Dr. FULLER. There are perhaps 15 States that supply large amounts of money for construction of schoolbuildings and facilities. Other States supply smaller amounts.

Senator YARBOROUGH. Some do not contribute at all to the local.

Dr. FULLER. Some don't contribute at all and all except the 15 either don't contribute at all or contribute small amounts like New Hampshire. For instance, when I was commissioner there, we had a little fund to use if a rural school burned down and there was no chance to replace it locally. We could build it back with State money. I wouldn't consider that a State plan for physical facilities generally. But about 15 have substantial funds.

Senator YARBOROUGH. And the rest, they burden—all of the buildings in practically all of the remaining 35 States fall on the local districts, which is generally a real estate tax falling most heavily on the homeowner.

Dr. FULLER. It falls on the regressive local real estate tax, and I would again mention that where the debt limit has been reached after very great efforts have been made to build buildings for poor districts, it might be entirely appropriate to include debt retirement in that "freedom of choice" to make it a bit more free.

Senator YARBOROUGH. And in the 1960 census of more than 3,000 counties and parishes in the United States, more than half of those lost populations, didn't they?

Dr. FULLER. Yes. There has been a great trend to cities and suburbs.

Senator YARBOROUGH. Generally the county that is losing population as a general rule, the real estate values are likely to be higher.

Dr. FULLER. Right.

Senator YARBOROUGH. Making it more difficult to support the schools in the counties where the population either is static or declining, which includes over half of all the counties in the country.

Dr. FULLER. That is the burden of my paper, Senator Yarborough, that in comparison with other public services, education has the least advantageous financial situation. Fifty-five percent of the cost is primarily on local real estate, which is partitioned off in 40,000 school districts. Forty percent comes from the States, but with a range in the States' support from about 6 percent in the lowest State to 88 percent in the highest State. The financing of schools, although it is the largest of all the public services, is by the very structure of the Federal and State and local tax systems and their use by education the most difficult of all the public services to finance.

This is perhaps the strongest reason for Federal participation in support of education.

Senator YARBOROUGH. Thank you.

Senator MORSE. Thank you.

Senator RANDOLPH?

Senator RANDOLPH. Mr. Chairman, I think Dr. Fuller has emphasized a point, the validity of which has been acknowledged, but which has not heretofore been given sufficient emphasis. I am confident that this will help us frankly as we carry this bill to the floor for debate in some manner.

Senator MORSE. It is excellent testimony.

Dr. FULLER. Thank you, Senator Randolph. The last time I knew you very well was when we worked together in Civil Aeronautics during World War II, and I am awfully glad to see you here on this committee.

Senator RANDOLPH. Thank you.

Senator MORSE. Before I close—you are through, Senator Randolph?

Senator RANDOLPH. That is all, except I do want to say that Dr. Fuller made a very notable contribution to the aviation education program of the Nation during the period of which he speaks.

Senator MORSE. He certainly did.

(The document referred to on p. 318 follows:)

RESOLUTIONS AND LEGISLATIVE POLICIES ADOPTED BY COUNCIL OF CHIEF STATE SCHOOL OFFICERS, ANNUAL MEETING, SANTA FE, N. MEX., NOVEMBER 18, 1960

1. QUALITY EDUCATION

The council believes that meeting the needs for more teachers and more school facilities, critical though this be in many parts of our Nation, is not enough. The challenge of quality is even more significant than that of quantity. The council urgently calls upon State and local fiscal authorities, legislative bodies, State departments of education, boards of education, and the supporting public to direct more energy and money into educational research and into the continued development of supervisory and administrative services at State and local levels.



## 2. U.S. COMMISSIONERSHIP

The Council of Chief State School Officers reaffirms its belief that the Office of U.S. Commissioner of Education is one which requires the highest degree of civic and professional competency. It hopes that full recognition will be accorded the need for continuity and stability in the U.S. Office of Education, with maximum freedom of action for the Commissioner as an educational leader on the national scene.

## 3. FINANCIAL SUPPORT OF EDUCATION

The council believes that the people of the country desire educational opportunities for their children consistent with the highest ideals and aspirations of the Nation. Increasing enrollments demand more classrooms, more facilities, and an increasing supply of well-qualified teachers. In order to improve the schools, broaden and extend educational opportunities, and provide enough classrooms and competent teachers, more adequate financing of the schools is essential.

Since only 4 percent of the gross national product is now being invested in education at all levels, the council believes that greater efforts to provide essential funds can and must be made at the local, State, and Federal levels, and that the Federal Government must share more fully in the support of education.

*(a) Federal financing of elementary and secondary public education*

The council believes that the interests of American public elementary and secondary education will be served best by permanent, broad purpose Federal financial support rather than by limited, emergency Federal aid for special purposes.

The council is most concerned that Federal support funds be made available to the States in such a way that State and local control of education will be strengthened. It urges, therefore, that allocations of Federal funds constitute, in effect, an additional revenue source which the States can apply to the most critical areas of educational expenditure.

The council favors a program of Federal sharing of public school costs under legislation that provides for allocation of funds to the States according to a flat grant formula, together with Federal legislative expression of a general policy favoring distribution to local administrative units by the States according to need as determined by the States. The States should be free to choose the proportions in which they will use the Federal grants for school construction, capital debt retirement, or current expenses in the maintenance and operation of schools.

Each State should have enabling legislation authorizing the acceptance and use of Federal funds for the support of public education. Federal laws authorizing and appropriating such funds should provide that they become State funds upon receipt by the State and are at that time legally intermingled with funds of the State system of public school finance for distribution and use by the State department of education. The State should be responsible for all reporting to the Federal Government for funds from Federal sources through certifications based on reports from local administrative units to the State department of education.

Senator MORSE. Before I close here this morning, as an old teacher I want to welcome Mrs. Steffens who is a junior high school teacher in Maryland at the Eastern Junior High School. May I say, Mrs. Steffens, as an old teacher also, I would like to give a voluntary assignment to these students, and I will help you with some material which I will supply to you from time to time.

You have a job of teaching these young people how legislation is passed. I think it would be a very good assignment, if they were to take this bill and follow it from now on through its course of history up to whatever final result may be. I will be glad—I can't give it to all the students—but I will be glad to send to your office from time to time the record of this bill. You may wish to use it as a project in teaching these students how democracy really works through the legislative process.



We are very happy to have these students with us.

We will start the hearing this afternoon at 2 p.m., and our first witness will be Dr. Benjamin C. Willis, president-elect of the American Association of School Administrators, who is superintendent of schools in Chicago, and he will be accompanied by Dr. Philip J. Hickey, superintendent of instruction, St. Louis, Mo.

(Whereupon, at 12:40 p.m., the committee recessed to reconvene at 2 p.m. the same day.)

#### AFTERNOON SESSION

Present: Senators Morse (presiding), McNamara, Yarborough, Randolph, and Javits.

Senator MORSE. The hearing will come to order. Our first witness this afternoon is Dr. Benjamin C. Willis, president-elect of the American Association of School Administrators, and superintendent of schools, Chicago. He is accompanied by Dr. Philip J. Hickey, superintendent of instruction, St. Louis, Mo.

You gentleman know it is a great favor to us to have you as our witnesses. You may proceed in your own way.

I would like to announce in the beginning that you will be free to file supplemental statements for insertion in the record during the course of these hearings. This subcommittee reserves the right to send you written questions asking for further information.

#### **STATEMENT OF DR. BENJAMIN C. WILLIS, PRESIDENT-ELECT OF THE AMERICAN ASSOCIATION OF SCHOOL ADMINISTRATORS, AND SUPERINTENDENT OF SCHOOLS, CHICAGO; ACCOMPANIED BY DR. PHILIP J. HICKEY, SUPERINTENDENT OF INSTRUCTION, ST. LOUIS, MO.**

Dr. HICKEY. Well, Senator, may I just say that this is the first time in the 95 years in this organization that we have organized a committee and presented ourselves to give testimony in relationship to legislation before the Congress.

I am happy, as chairman of the committee, to present the president-elect of our organization, the general superintendent of the Chicago schools, Dr. Benjamin C. Willis.

Senator MORSE. We are very delighted, Dr. Willis, to have you with us. I want to say I didn't know this was the first time in 95 years of your organization's history where your testimony has been used in connection with legislation. We welcome you and we are glad that you recognize the fact that this is one of the great national problems which confront us, gentlemen.

I know your association will make an objective approach. We are going to solve this matter in the public interest.

So I am particularly pleased that both of you are here this afternoon and you may proceed now, Dr. Willis, in your own way.

Dr. WILLIS. Thank you, Senator Morse. Mr. Hickey and members of this subcommittee, I appear before you as president-elect of the American Association of School Administrators to present my personal views and those of the great majority of the membership of the American Association in support of Senate bill 1021.

I have followed with great interest and admiration the Secretary of Health, Education, and Welfare in his work for education, with which I am familiar. I think we are fortunate indeed to have a man of his stature and views in his position at this moment in the history of education in the United States and at this moment in the history of the world.

#### NEED FOR LEGISLATION NOW

That there is an ever-present and insistent need for education in a democracy requires no comment to men such as yourselves. I think it is self-evident that you, as legislators and citizens, and we, as educators and citizens, have a deep interest and concern, that extends beyond any local areas, to the obligations of society and of the Nation to provide a quality program of education for all of the children and all of the youth in all 50 States.

If we are to meet this challenge, there is much that needs to be done. National shortages of classrooms and of qualified teachers were reported in a survey in the fall of 1960 and are well known. Perhaps, less well known is the fact that of every 10 pupils who reach fifth grade, only 6 finish high school.

Predictions vary, but they all indicate tremendous and continuing increases in the population of the United States in the years just ahead. An economist of the Dodge Corp. estimates that within the next 40 years we will have two persons living in the United States for every one person living here now.

If this materializes, we would need an additional teacher and an additional classroom for every one we now have.

The school population, nationally, has been increasing at about 1 million annually. In my city, enrollments have increased at the rate of 12,500 a year. As a matter of fact, our increase in population in the last 10 years exceeds the total population in all but 10 in the country.

The national increase requires 40,000 more teachers and 40,000 more classrooms a year just to maintain education at the present program level.

But the problem is more than numbers. Recent reports note that 85 percent of the increase in population has been in 168 metropolitan areas as defined by the census; 71 percent of the increase has been in 14 of the 168 areas.

If this trend continues, and if estimated population increases are realized, we will have about 60 million more people concentrated in metropolitan areas similar to the New York-New Jersey one. The densely crowded sections of the urban areas, the numbers of obsolescent facilities, the changing pupil personnel are among the factors that compound difficulties and create urban problems that are massive, grave, and unique.

John Gardner, president of the Carnegie Corp., in his annual report for 1960 estimates that about 1,873,000 boys and girls will graduate from high school in June of 1961 and that approximately 993,000 of these will go on to full- or part-time college work.

Further, 880,000 of these youths will not go to college at all: while approximately 900,000 will have left high school before graduation. The dropout figure of 1 in 3 was one-third of 2.6 million youths or

about 900,000 dropouts in the fifties; it will be one-third of 4 million youths or about 1,300,000 in the sixties.

Related to the foregoing figures are other studies that report the unemployment rate for the dropout to be double that for the high school graduate; unemployment is  $3\frac{1}{2}$  times greater for the dropout than for those young people who have had some college preparation.

It has been estimated that 21 percent of all young people 16 to 21, not in formal schooling one place or another at this time, are unemployed.

These statistics reflect both the problem and the road toward a solution. We need school buildings and we need teachers: but also we need a quality program of education planned for individuals and available to all individuals. Fundamental to any quality program of education is the quality of teachers available in adequate numbers. Of this I am certain: what was quality preparation for teaching in 1930 is completely inadequate in 1960.

At the very time when the world in which we live demands an increasingly well-informed and educated teacher, we are faced with a constricted group from which to recruit. Population figures reported by age brackets show that in the sixties about 47 percent or 1 in 2 will be young people under 24 years of age and that another 41 percent will be over 45 years of age.

In the 24-45 age group there will be only 12 percent; this is the group from which the majority of our teachers come. Not only will we have an exceptionally large enrollment of children, but we will have this very small group from which to draw our teachers.

In addition, as women move increasingly into other professional areas, competition for the services of the very able will be intensified. Teachers' salaries are going to have to be related to the skills required and, also, realistically, to the small supply available, and the great demand.

#### COSTS OF PROGRAM

As we look ahead, then, it is apparent that the cost of education must continue to rise not only to provide facilities and staff for growth in population, but also to provide education for all Americans, and to provide a quality program.

It has been estimated that the present total cost of education should double by 1970. Evidence has been given to support this position in the reports of many groups, among them the Report of the White House Conference of 1956 and the Rockefeller Report on the Pursuit of Excellence.

Problems involved in paying for education today are closely related to the fact that our population has grown faster than the tax base. In the early days of our history, real property accounted for 75 percent of our wealth; today, real property accounts for only 25 percent. Local governments still rely primarily on real property for their tax base especially for schools; this has meant a serious strain in relation to real estate.

Some of our problems stem from the fact that today property tax represents such a small part of our total wealth.

That the Federal Government by sharing tax revenue with the States and localities can provide the necessary funds to aid in seeking a quality program of education to reach all Americans is evident when

we look at the report on our gross national product. It was \$285 billion in 1950; it is reported as \$500 billion today. Projection figures estimate over a trillion by 1975.

There are some who have equated Federal support with Federal control. The American Association of School Administrators believes in local control; I believe in local control; history has given evidence that local control can be compatible with Federal aid. We have had Federal support of education since the beginning of the land-grant colleges; since 1917, there has been Federal support to vocational education.

In this latter case, the program is so local that funds are granted to programs within schools. Recently, millions of dollars have been paid to teachers by the Federal Government while they attended institutes sponsored by universities. The universities select the teachers and determine the course of study; the Federal Government does not. I refer to institutions both through NDEA and also through the National Science Foundation.

Senate bill 1021 is a States rights bill because the State has a choice in the utilization of funds. It is a bill in which Federal aid and local control are compatible. Money allocated may be spent by States and localities to meet the major need in each State and the major need within each area of the State.

Our Nation among the nations of the world must lead in culture; in education; in human relations between people; in respect for the worth and dignity of the individual. With foresight and determination we can move forward to any set of goals to which we give priority. It is time now for decisions; it is time that as a people we recognize that our values undergird our decisions; and that we place first things first.

We can never forget for a moment that we must give priority to education because people are the most important element in the composition of the universe, and that education is the means to the realization of the potential of each individual.

The skills of people make a people strong. At no point can we forget that vocational education is the acquiring of skills, and that the opportunity or the acquiring of skills, whether they be for entrance into teaching or machine shop, or for other skills when adjustment is needed, as a result of technology, must be available to all Americans.

Because of our belief in the work and dignity of the individual; our growing population, our interdependent national economy; our expanding scientific knowledge and today's technology; because of the insistent demands of our times for improvement, for quality in the program of education and for excellence in teaching—there must be more and better teachers, and more and better equipped classrooms.

No person is unimportant. No effort is too great. There must be quality education for all Americans. We believe that Senate bill S. 1021 can be the means to our goals.

Thank you, sir.

Senator MORSE. Thank you, sir.

Dr. Willis, I participated in hearings on Federal aid to education in 1947 as a member of this committee. I have some comments to say this morning about the high caliber of the record that is being made

and I have some comments to say about other matters. I think the substance of your testimony is going to be very helpful to us.

I am very appreciative of having it. I am trying to lean over backward the last 2 days, checking my own recollections and biases because we all have our biases. Some people call them convictions. I call them biases.

I will probably be a biased witness on this matter myself, but I cannot escape my conviction that we do have a Federal responsibility to help the States, to help solve both the National and the State problems.

I thank you for your information and the data that you have given us because we can put them to very good use, I think, in the debates which are about to take place.

Thank you very much. I have no questions, but I will call on you if we need more help.

Dr. WILLIS. Thank you, sir.

Senator MORSE. The next witness will be L. A. Schertler, representing the Electronic Teaching Laboratories.

**STATEMENT OF LEON A. SCHERTLER, REPRESENTING ELECTRONIC TEACHING LABORATORIES, INC.**

Mr. SCHERTLER. Thank you, sir.

Senator MORSE. We are very happy to have you with us.

Mr. SCHERTLER. Thank you, Mr. Chairman.

For purposes of the record, my name is Leon A. Schertler. I am associated with Electronic Teaching Laboratories, Inc., 5034 Wisconsin Avenue, Washington, D.C., as assistant to the president.

Electronic Teaching Laboratories pioneered the application of modern technology to education. We are established throughout the United States by some 55 representatives and our technical installations are in over 56 countries. I might digress for a moment to say that these 55 representatives are in charge of some hundreds of dealers across the United States, and I have contacted most of them and they want to stand and be counted when the time comes on this bill.

They are in favor of it. We are in favor of it. As an organization, we are dedicated to helping solve multiple problems of education challenging our public and private schools, colleges, and universities.

The chairman of the board of directors is Maj. Gen. J. B. Medaris, U.S. Army (retired), who stated upon becoming chairman of the board:

I believe the most important challenge to our Nation today is to reorient our school systems to the demands of the space age. To my way of thinking, that challenge is even greater than the tasks for which I was responsible while in the Regular Army. Education is the key to survival and progress in the world of the future, and I am proud that I am part of that great enterprise.

Our educational advisory group consists of such well-known educators as: Dr. Edward Teller, Dr. Joel Hildebrand, and Dr. Hans Mark of the University of California, Prof. Leon Dostert of Georgetown University, Dr. Winfred Lehmann of the University of Texas, Dr. John Carroll of the Graduate School of Education, Harvard University, Gen. James McCormack, and Dr. George Valley, Jr., of the

Massachusetts Institute of Technology, and Dr. Henry Chauncey of the Educational Testing Service in Princeton.

As an individual, I have been active in the field of education and training during the past dozen years, both in this country and abroad.

As a father of five small children, I am vitally interested in the program and accomplishments of our educational system.

I would like to testify in an area where we have had considerable experience in the development of new techniques. Although readily accepted by the teachers and school systems throughout the United States, the procurement and implementation of the techniques has been frustrated by lack of funds.

We believe the following four major problem areas render urgency to the needs of the educational systems as the United States moves through the technological age:

First, the rapid increase in population and its demands upon the overtaxed educational resources.

Second, the need for the individual to possess more knowledge than ever before to keep pace in a technically oriented society.

Third; the acute shortage of competent teachers as enrollment soars.

Fourth, the increasing shortage of classrooms.

The solution of these interrelated problems requires the application of modern techniques and technology that offer assurance of a substantial increase in productivity. At the same time, the teachers could rightfully expect more rewards for their vitally important services.

Business and industry reward performances that increase quality and quantity of products—education should not be an exception.

We believe the logical approach is to exploit, if possible, development of modern technology to reinforce the classroom teacher. At the same time, we must avoid any attempt to make the teachers feel that they are being replaced. We must recognize that the teacher is the indispensable element in the educational process. We can provide the means to enable the teacher to spend 4 out of 5 hours in the classroom where he is of maximum value instead of spending an equal amount of time handling administrative details or preparing for his next class.

Our firm has the experience of organizing almost 200 educational projects. Over 50,000 students in foreign countries have matriculated annually under Electronic Teaching Laboratories programs for intensive studies of English.

I might also say that these were federally sponsored programs under the various mutual security programs. We are fully aware of what great steps can be made in assisting education and teachers. We are also aware that this accomplishment costs money.

As a corporation, and as educators, we do not believe that anyone makes money who makes the making of money his fundamental objective. Now that may be a silly thing to say to some people, but I believe the intelligence of this group is quite sufficient to understand what I mean. To my mind, profit is the byproduct of rendering a needed service and if your attention and your purpose and your direction are toward the rendering of a service, the profit will come inevitably.

For example, 2 years ago Electronic Teaching Laboratories undertook a research and development project in the field of speech pathology. At considerable cost and expenditure of time, the organization produced technological aids and materials to assist speech pathologists in this vital field.



Across the United States there was an immediate demand for this type of equipment by school systems, individual schools and teachers as they became aware of its existence. However, in far too many cases, they are prevented from procuring this equipment due to limited or nonexistent funds at the local level.

I was extremely pleased to see in President Kennedy's message to Congress and in Senate bill 1021, the specific mention of speech correction and related problems. I can assure you gentlemen that if funds for this equipment were now available, we could not produce equipment fast enough.

I can also assure you that prior to the enactment of the National Defense Education Act, foreign language teachers in most schools throughout the country faced the same problem. Today, thanks to Federal assistance in a few limited fields, one being the teaching of foreign languages, a substantial number of secondary schools are now equipped with the proper course materials and technical aids, and the United States is well on the road to producing students with a high proficiency in foreign languages.

I could go on for hours listing specific instances in which teachers are largely ineffective because of a lack of appropriate training aids. Each year many teachers spend many of their too few free hours tutoring and helping students where technological aids could be substituted.

We decry any approach to the application of modern technology to the field of education which has as its purpose or results in minimizing the teacher's importance. There is no substitute for the personal contact of the teacher, no substitute for the teacher's philosophy in the business of adapting fact to use.

Therefore, if we are really to attack the problem of educational productivity with modern technology, we must attack the first part of the problem—the training element—the placing on the students' minds of the necessary background of fact—all of the certainty that can be implanted upon which the teacher can begin to build.

We cannot mechanize education. We can mechanize the training portion of it and it is well known that each experiment that has been honestly conducted has shown that the student can absorb more and can absorb faster if the process includes modern technology.

Here is the real challenge in the productivity of education—that is, not useless gadgetry but a clean-cut approach to the solution of the problem of putting facts into mind or of putting skills into force.

Many of the plans for technical aid to education come from teachers themselves. In this free enterprise system, we, along with many other educationally supported groups are hand in hand ready to step in and assist. If the teachers and school facilities have adequate funds, we can rightfully expect great strides in the techniques of instruction.

I would also like to comment briefly on the chairman's statement of yesterday regarding the purity of the aid to education bill by allowing no extraneous items to be attached to the legislation. I concur in this need for clarity.

However, I would call your attention to the broad economic by-products of sound aid to education legislation. An article in the February 1961 issue of the *Dun's Review*, entitled "Growth Markets of the 1960's—The Booming Education Market," clearly depicts the



positive importance on our economy of the broad aid programs contained in Senate bill 1021.

So confident are we that education can and must be improved, that our organization announced last week a plan for expansion of its production facilities. We are now in the process of establishing a new 300-employee plant in Hagerstown, Md., a chronically distressed labor area.

I personally believe there will be progress in the field of education with or without legislation. However, without adequate funds, progress must be exceedingly slow and haphazard. With adequate funds, teachers will be able to teach and we, along with many others, will be able to give them the type of support they deserve.

Thank you, Mr. Chairman.

Senator MORSE. I just couldn't agree with you more. I agree with the approach that you made. In the old days in the fields of speech pathology and psychology, when I think of the instruments we used then as compared with what you make available for the professor of speech pathology today, in just that short span of just a few years, I am thrilled by the testimony you gave today.

I wish some way, somehow, we could translate an understanding into the heads of those who are going to have to pass judgment on the need for the kind of an aid program that you talked about here today.

I sit here listening to you, and remembered my University of Wisconsin days when we thought we were making great strides when we made very practical uses of the dictaphone in the field of speech pathology. Then came the wire recorder, and then came the intensive use of the small movie camera. We didn't have sound films then, but we did a pretty good job. We would use the movie and we used the dictaphone or the wire recorder and then came further progress in the field.

I talked at one college recently which is working miracles in this field of speech pathology. It is just a little item in the whole gamut of education in which the contribution that you are talking about has so much to offer.

I quite agree with you, that President Kennedy very wisely, I think specifically mentioned this field of speech pathology as a good example of what can be done in the kind of program that you were talking about.

I would like to ask you, Mr. Schertler, do you feel that the definitions of school facilities and public facilities included on pages 18 and 19 of S. 1021 are broad enough to include the equipment with which your organization is concerned?

Mr. SCHERTLER. In a sense. They are not as specific as in the National Defense Education Act, of course, which spells out "facilities." I have interpreted this personally, to definitely include the equipping of schools with proper classroom facilities, darkrooms for projection of film, the wiring facilities for language laboratories.

We would like to feel that it would be interpreted as the actual procurement of equipments. I know that Senator Magnuson has a bill to provide television equipment to schools, I believe, across the country or by States, which is specifically limited to educational television.

We, in this particular field, realize that every day so many things are coming out that are worth while—many of them are not—that we

feel can help the schools. They can help the teachers over the next few years, which are going to be the crucial years until salaries are raised, and the people are coming back into the teaching profession; that teachers are going to need assistance in the form of the so-called teaching machines.

I have interpreted the legislation to cover technical aids and I should say that if they wish to do a research or study on the need in this field that it should include some of this material; however, we favor any legislation to build up the teaching facility.

I think it should be included, yes.

Senator MORSE. I am raising the question for two reasons: First, to make a legislative record history on the basis of the language which we find in the bill and, secondly, to direct a suggestion to the representatives of the Education, Welfare, and Health Department who are in the room.

I would like to suggest to you, gentlemen, that you have a conference among yourselves down at the Department to the end of advising this subcommittee whether or not you think this part of the bill needs to be, in the first place, or should be, in the second place, clarified somewhat in order to leave no room for doubt as to whether or not these educational aids that Professor Schertler has been talking about this afternoon would be clearly covered.

I have said, and I repeat again, I shall press for the bill in its present form. At the same time I shall be in frequent contact with you people in the Department because you represent the administrative level, for any clarification or modification of the bill which you think would strengthen the bill. So if you decide that it ought to be amended for clarification purposes please advise me and I will see that the amendment is offered.

Thank you very much, Mr. Schertler.

Mr. SCHERTLER. Thank you.

Senator MORSE. The next witness will be Mr. George Hecht, chairman of the American Parents Committee, Inc.

#### STATEMENT OF GEORGE J. HECHT, CHAIRMAN OF THE AMERICAN PARENTS COMMITTEE, INC.

Senator MORSE. Mr. Hecht, we are delighted to have you.

Mr. HECHT. Thank you.

Senator MORSE. You may proceed in your own way.

Mr. HECHT. My name is George Hecht. I am chairman of the American Parents Committee and publisher of Parents' magazine.

I am pleased to have the opportunity to appear before you to express my support in general of the "School Assistance Act of 1961." I think every Senator on this subcommittee must know that I have long been a supporter of the principle of Federal aid to education.

The American Parents Committee and my own energy and resources, and many pages in Parents' magazine have for many years been directed toward trying to get such legislation through Congress. I truly hope that the 1st session of the 87th Congress will finally follow the lead of the late Senator Robert Taft by enacting a law which will enable the Federal Government to provide basic support for elementary and secondary schools.

I take particular pride in the leading role that the American Parents Committee and I were able to play in getting the National Defense Education Act of 1958 through the Congress, through the House of Representatives in particular. About my proudest possessions are six letters framed on my office wall from the top legislative executives of the National Education Association, the Council of Chief State School Officers, the American Personnel and Guidance Association, as well as from Senator Lister Hill and Representative Carl Elliott, which express appreciation of the leading role that my organization and I were able to play in getting this bill enacted.

Important as was the passage of the National Defense Education Act, a bill to help elementary and high schools is even more vital. Virtually every Republican and Democratic Member of Congress recognizes, I am sure, that there are classroom shortages in every State of the Union and that many schools in the poorer States and some schools in the richer States cannot be adequately maintained with merely local and State funds.

Federal funds must be provided, as has been definitely concluded in studies made by such private groups as the Committee on Economic Development and the Rockefeller Brothers Fund.

I want to record my personal support and the support of the American Parents Committee of title I of the pending bill for the following reasons:

1. Federal aid to education is one of the Nation's greatest needs. I shall not consume the time of this subcommittee by repeating the figures which you have already heard from official witnesses. As a magazine publisher, I often hear from parents. Those messages echo over and over what we all know; viz, that there is a woeful shortage of good teachers and, in many communities, a great shortage of classroom space.

It is literally a crying shame that in a country so advanced and so prosperous that thousands and thousands of children must be limited to half-day sessions. Millions of others must be squeezed into bulging classrooms where overworked teachers cannot possibly do an adequate and effective job.

As a businessman, and I emphasize that I am a businessman, not a professional educator, I firmly believe that the future of this country and its influence on the world of tomorrow hinges almost entirely on the kind of educational opportunities we give today's children. As a businessman, I am equally firm in the belief that our whole educational effort will fall far short unless support of public education from the Federal Government is forthcoming.

2. Federal assistance must be equalized. I am in favor of the sections of the pending bill which spell out a variable formula under which extra help will go to the States which need it most. You have before you the statistics which show that some States are already making an effort equal to that made by the richest States. Their effort is still not great enough because of inadequate State resources. The equalization formula in this bill is a well tested formula and should work just as well in education as in the other programs of Federal aid.

3. I believe the effort index in section 106 of the bill is necessary and desirable. Any State which relaxes its efforts because of any

Federal aid program deserves to be penalized; and as I understand it, the pending bill would reduce the allotment to a State if that State should relax its own internal support of its schools.

4. I like the provisions of the bill which require that funds should go to the States to be handled and treated thereafter as State funds for the accomplishment of the purposes set forth in the bill.

As I have said many times, publicly, Federal control of education is something which should never be permitted. This bill precludes and prevents any such possibility. How can any opponent of this bill possibly say that it would result in Federal control. To use this excuse for opposing this vital and necessary support to education is, to me, a hazy smokescreen to hide deeper and more deep-seated reasons for opposition.

Having said all of this, I want to express one regret. I think this bill provides too little financial support. I note that the allotment to many States will run far below that provided by bills which were considered by the 86th Congress. I hope the authorizations in this bill will be increased.

My next plea is for quick action. It is already too late. Year after year, efforts toward Federal support for education have been blocked, beaten, and defeated by one tactic or another. With strong leadership in the White House and with the strong support which exists in both the House and Senate, we simply must pass a Federal aid to education bill this session.

But in conclusion, gentlemen, I must be honest in saying that I, for one, shall not say, "It must be all or nothing." If this entire bill cannot be passed, I urge the passage of the least controversial part of it. That part would, I assume, be assistance for school construction. I should like to say publicly that I shall not stand by idly and see the whole bill defeated just because certain provisions of it cannot pass both Houses. I would much, much rather have a big Federal aid for school construction bill passed than no bill at all.

Thank you.

Senator MORSE. Mr. Hecht, don't thank me. I want to thank you for this closely, well-reasoned, cogent argument that you have presented to this subcommittee this afternoon. I cannot quarrel with any part of it and do not quarrel with any part.

I will do the best I can to get the bill in its present form passed, but if we can't get that we will get what we can. But I don't want that to be interpreted by the press of any feeling of any pessimism on my part.

If we can get more statements such as we have already had I think we will get a good bill passed. If I am not mistaken, you were a great assistance a year ago in our juvenile delinquency legislation, and were of great assistance to my distinguished colleague over on the House side, Mrs. Edith Green. While I have you here I want to thank you for that.

Mr. HECHT. Thank you very much.

Senator MORSE. Thank you very much.

Our next witness will be Mr. K. Brantley Watson, of the Chamber of Commerce of the United States.

(The prepared statement of Dr. K. Brantley Watson follows:)

**STATEMENT OF DR. K. BRANTLEY WATSON, CHAMBER OF  
COMMERCE OF THE UNITED STATES OF AMERICA**

**PREPARED STATEMENT OF DR. K. BRANTLEY WATSON FOR THE CHAMBER OF  
COMMERCE OF THE UNITED STATES**

I am K. Brantley Watson, vice president in charge of human relations, McCormick & Co., Baltimore, Md. I have been a member of the Education Committee of the Chamber of Commerce of the United States for 6 years.

Since I am presenting the national chamber's views, I believe that I should establish the fact that I have had extensive graduate training and experience in the field of education, and that I taught in the field of psychology at Duke University for 12 years and was director of that university's bureau of testing and guidance for several years. Later I became vice president in charge of personnel for the Federal Reserve bank in Richmond before undertaking my present work in human relations with McCormick & Co.

The Chamber of Commerce of the United States represents the business thinking of more than 3,600 chambers of commerce and trade associations. In the field of education, it has stimulated the creation of committees on education in 2,200 local and State chambers of commerce whose primary objective is the improvement of schools at the local level. Delegates from these local and State organizations by unanimous vote at their annual meeting in 1960 created the policies on education of the national chamber. These policies, reaffirmed as recently as February 24-25 by action of the national chamber's board of directors, state clearly the chamber's belief that public education is and should continue to be a State and local responsibility. It is our belief that the intrusion of Federal support and consequent control into the discharge of this responsibility is unwarranted. Furthermore, it would be contradictory to the principles of our democratic processes and could well lead to a nationalized school system which is the antithesis of our American approach to education which has produced the highest educational level of any nation in history.

The businessman claims a share in the progress this country has made in education. He long ago recognized the imperative necessity for creating ever-greater educational opportunities for all the people. He has a vested interest in that his success depends upon both the competence of his employees and the appreciation of his consumers. Both human ability and appreciation are refined through education, thus creating the basis for more business, more jobs, higher wages, and a higher standard of living.

Aware that he is only a part of this upward spiral so basic in the continuing progress of our society, the businessman has traditionally given his support to the educational objectives of his State and his community. Through the chamber of commerce in his locality he has given liberally in time, money, leadership, knowledge, and personal sacrifice to assure himself that the future citizens of this country—his future employees and consumers—will want and be ready for ever-higher living standards.

Through organized chamber activities he has contributed to and participated in such events as teacher recognition programs and career guidance programs for students. He has visited and explored means of solving the problems of the schools in education-business day programs. He has sponsored over 3,000 business-education day programs illustrating our economic system at work. He has served on or with his local and State school boards to plan the expansion and improvement of recent decades.

The chamber of commerce and the business community are proud of the effort to build better understanding of the value of education. We will continue to stimulate business-education cooperation. We shall do so because we believe education is the root of our ability to maintain our freedom. We know that people are the source of decisions that preserve man's freedom. When the people make the proper decisions attuned to the increasing complexities of society, they will understand the value of continuing education and they will voluntarily make decisions which will direct the best course for education in their community. Forcing decisions on local education from a central bureaucracy is contradictory to the practice of freedom and inconsistent with the American approach to education. Our system has advanced because it reflected diverse

cultures and yet a common acceptance of responsibility by many citizens for education.

This pluralistic concept of decisionmaking identifies the unique basis of American education. It is unlike and not subject to the hazards of centralized standardization of education as practiced in Europe. History shows that such centralized systems of education become easy instruments for indoctrination which can be exploited by political demagogues.

In the chamber's view, Federal subsidies mean Federal decisions about school problems which should be left to the States or their communities to make. Proposals as comprehensive as those before this committee, especially those providing grants such as in S. 8 and in title I of S. 1021, are thus a retrogression toward centralized planning at a time when our State systems, uniquely cast in the image of maximum diversity and free enterprise, are enjoying a more rapid acceleration than at any time in our history. Never before have our people been more alert to technological and economic progress. Never have they shown more interest in education and its essential importance.

In quantitative terms, the expansion and improvement in our educational system during the last decade through State and local responsibility are unprecedented. Over 47 million persons, more than one-fourth of the Nation, now participate in full-time formal education. Ninety-nine percent of the children aged 6 to 15 and almost 85 percent of those aged 16 and 17 are enrolled in school. One-third of our young people enter college; two-thirds of those who enter graduate. One and a half million high school diplomas and a half million college degrees are awarded each year. No nation on earth ever did, does now, or has a reasonable prospect to approach these achievements.

School expansion required by the baby boom of World War II has been met effectively by State and community action. In the last decade, the number of teachers employed and the number of classrooms in use have increased faster than enrollment. While school enrollment increased by 48 percent since 1950, the total number of classrooms available increased by 60 percent. They are taught in smaller groups by better trained teachers, whose number increased by 51 percent. The certification requirements for teachers have shown a significant rise. Every State in the Union now requires a bachelor's degree or better as a qualification for teaching in high school. All but eight States require a college degree for teaching in the elementary school. In 1950, only 17 States required 4 years of college for beginning teachers.

Average annual salaries of the instructional staff rose in proportion to quality: From \$3,126 in 1950-51, they are estimated to reach \$5,389 this year, an increase of over 72 percent.

These records are only part of the phenomenal advancement this Nation has enjoyed in education—without Federal direction. The people at the local level on whom the power of decision has rested have had the wisdom to give the priority to education which it deserved. Neither should we write off these accomplishments as matters of the past because they augur for an even better future. The new record in school-bond approvals in the year 1960 is an indication that school-bond sales will continue at a high rate justifying the assumption that there will be a greater rate of classroom construction and larger outlays per pupil in the years ahead. As we enter an era wherein education will enjoy an even higher priority than it has in the past decade, we are encouraged by the momentum of progress shown by the inclining wave of statistics on which we are riding with our citizen-determined commitment to education. Instructional staff rose to 1,455,000 in 1959-60 from 962,000 in 1949-50. In terms of increase in numbers and monthly earnings, education led all other categories of State and local government employees. Teacher-pupil ratio actually improved while student enrollment increased by 15 million. In 1949-50, each teacher taught an average of 26 pupils, but only 25 pupils in 1959-60. In secondary schools the record was even better. The teacher-pupil ratio dropped from a high of 27.2 to 1 in 1937-38 to only 22.7 to 1 in 1958-59. Expenditures per pupil are estimated at \$390 this year while in 1950-51 expenditures per pupil in average daily attendance amounted to \$224 annually.

In just 1 year (1959-60) students meeting requirements for certification to teach rose as follows:

Elementary-----	Up 1.6 percent to 52,567 in 1960.
High school-----	Up 12.4 percent to 80,465 in 1960.
Mathematics-----	Up 31.9 percent to 5,650 in 1960.
Science-----	Up 26.4 percent to 7,797 in 1960.
Foreign language-----	Up 21.1 percent to 2,200 in 1960.



In 1959-60, Americans 25 years of age and older averaged 11 years of education compared with 9.3 years in 1950 and 8.4 years in 1940. Illiteracy dropped to only 2.2 percent of the population in the last year.

These facts are conclusive proof that people can and will provide for greater quality and quantity education as the needs demand. They also show that satisfying our educational needs will be much more easily accomplished in the next decade than was the case in the fifties.

Enrollments since the bulge brought on by the baby boom of World War II were at a rate of growth approximating 5 percent while the rate of economic growth was 3 to 4 percent. The situation will reverse in the decade of the sixties wherein enrollments will drop to a rate of growth slightly above 2 percent while the rate of economic growth will at least continue at the same rate of 3 to 4 percent.

In the first instance, maintenance of school expenditure levels which existed before the enrollment growth meant that a higher percentage of national income had to be earmarked for school revenues. As indicated by the statistics just cited, levels were not only maintained, but surpassed during this period of demand through State and local taxation. In the 1960's, when economic growth will exceed enrollment growth, even continuation of the present high levels of school revenue through State and local treasuries cannot only maintain but improve standards of education.

Moreover, on the horizon are exciting dividends from the experimentation in education which the public interest has encouraged since World War II. Current innovations in the improvement of instruction, if accepted, can spread the value of a good teacher over many more students. Increased teacher efficiency through team-teaching methods, the use of educational television, refinements in guidance counseling and improved laboratory techniques in science and language instruction will afford teachers the opportunity to concentrate on their professional specialties while clerical and administrative duties are assigned to personnel qualified to assume the nonteaching responsibilities.

Trends of this nature plus the progress within the States to consolidate and reorganize small school districts into more efficient units promise to make it easier to provide education of higher qualities financed within the existing framework of resources at the community and State level.

These improvements in organization and instruction methods are the key to quality in education through more efficient use of facilities, personnel, and funds. Herein lies the futility and the dilemma of Federal action. The fundamental improvements in the efficiency and effectiveness of our schools can be achieved either through voluntary acceptance and local support, or by the compulsion of Federal directives. Advocates of Federal intervention in education believe it is too late for local freedom of action; that expert authority must be given the power to speed up the evolutionary process. While they may rationalize this resort to Federal direction on other grounds, they are in reality convinced that State and local autonomy in education is a risk we can no longer afford to take; that we must move toward a nationalized school system, standardized as to method, content and organization.

If the Congress authorizes general Federal support for all State school systems, it must understand that it is confirming this judgment of some professional educators. Such congressional action will not merely be a matter of authorizing funds for one or more of the general needs of education; it will be the beginning of the end of local responsibility based on community understanding and belief in "our local schools."

While the present Congress may deny most sincerely any intention of Federal "takeover" in education, subsequent Congresses will find that both more Federal money and more Federal direction are necessary—and the precedent and the mechanism—a Federal bureaucracy—will already exist to move on toward greater centralizing of responsibility in Washington. While this, too, will fail to resolve the many complex problems of education, the local apathy or tax-impovery brought on by Federal usurpation of responsibility will leave no recourse but to go on over further in Federal direction of the cause of education.

As in today's subsidy-surplus farm problem, everyone will be disturbed, if not appalled, by the extravagant waste and misuse of the Nation's resources, but there will be no turning back to personal responsibility and free market determination of priority. Federal "takeover" is a one-way street and Parkinson's laws will prevail—only here we deal with people instead of farm crops.

The chamber therefore urges the Congress not to turn this corner and set



the course of American education down this one-way street. There is no demonstrated emergency to justify it; and there is no wisdom in Washington to match the collective efforts of the States to meet diverse conditions of our many school systems.

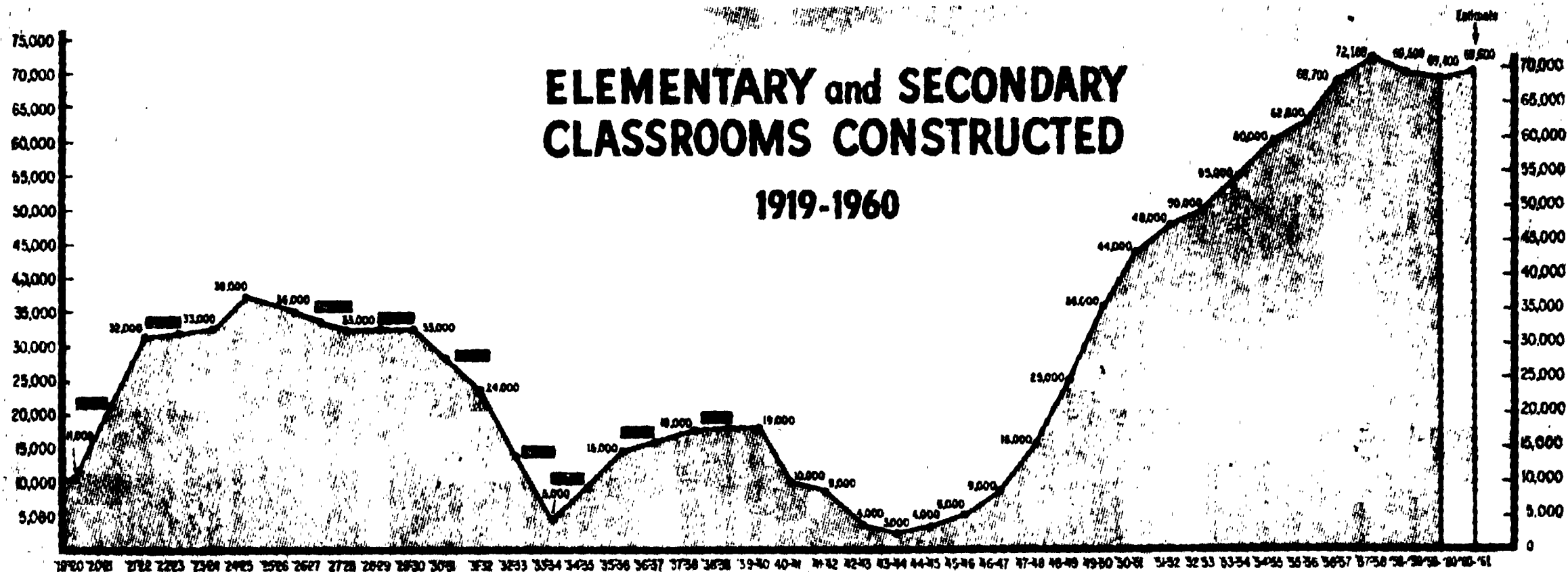
State and local financing has been and will be available to provide what the people of each State believe to be the right or best approach to their different school problems. The fact that professional experts disagree, or may believe the State-local process to slow, should not becloud the issue faced by the Congress. That issue is the control, the decisionmaking about the priority in and between construction, methods, personnel, organization in and between education and other socioeconomic demands. The basic meaning of a "free" society is that the people set such priorities based on their own definitions and decisions; and that no central agency has the power to make such decisions and use the power of the Federal purse to enforce them. The bills before this committee establish the latter course of action as the future way of determining how education is to be financed in this country and what aspects of education shall have priority.

The chamber of commerce and the business community are strong supporters of improvements leading to higher quality and more efficiency in education. Local and State chambers have demonstrated overwhelming support of school issues designed to improve the quality of education in communities throughout the country. Only last spring, we conducted a survey of 663 communities in which it was shown that local chamber support of local school issues were not only significant but a vital factor in influencing the voters in the local community to accept proposals for better schools for their children. The survey asked local chamber officials to report what position their chambers took on local school issues—proposals for higher taxes, bond issues, higher teacher salaries, and district reorganization and consolidation. Of 1,573 proposals reported in the survey, 1,184 or more than 75 percent won local chamber support. The local chamber was neutral on 353 issues and opposed only 36. A total of 1,272 proposals were passed, a figure only slightly above the number which the chambers supported.

In light of the massive evidence that exists to the contrary, it is hard to believe that any emergency has been demonstrated to exist which would justify Federal intervention into the support of our schools. The U.S. Office of Education with the support of research from the National Education Association has issued figures that show the teacher-pupil ratio is lower than it was 10 years ago. It is a fact that over one-half of the children in school today are attending in classrooms which were built since World War II—almost as many new ones as were in existence in 1946. The following is a graphic presentation of the number of classrooms built in each year since World War I. It shows that classrooms built since 1946 will be an estimated total of 755,100.

TABLE 29

# **ELEMENTARY and SECONDARY CLASSROOMS CONSTRUCTED** **1919-1960**



Sources: U. S. Office of Education except for figures in black boxes which were estimated by the Chamber of Commerce of the United States using straight-line interpolation.

This is proof that indictment of voluntary local effort in the building of schools is grossly unjust and a pure fiction when matched against the record.

We believe that the pretense of an emergency in school housing is based upon faulty conclusions from accounts of half-day or double sessions involving a small number of students. Figures on these are very misleading when presented without analysis. For example, the U.S. Office of Education reported 156,840 secondary school pupils were on double sessions in 1958-59. Analysis of the distribution of these pupils revealed that nearly a third of them were located in New York State and another 11,000 were in Connecticut—two of the so-called wealthy States. This example underscores our contention that in most instances the crowding which exists occurs in growing suburban areas where classroom shortages are not a matter of poverty but an inability to predict the rate at which a community will populate as the local economy expands.

The number of children has been increasing rapidly in high-income States and little if any in low-income States. Almost three-fifths of the national increase in school enrollment between 1955 and 1970 is projected to take place in the 12 wealthiest States, only 5 percent in the 12 States at the bottom of the income scale. Thus most of the school load occurs where the taxable wealth and income are. A recent report of the Bureau of the Census (P-25 No. 194) showed substantial gains in the number of children under 5 between 1950 and 1957 in the high-income States and losses in such States as Arkansas, Mississippi, Alabama, West Virginia, Kentucky, etc. Certain areas in California, although they have money committed to schools already under construction, report classroom shortages because the bricks and mortar cannot be put in place as fast as enrollment changes. Significantly all 3 of the States mentioned, plus 14 others, are among the wealthy States which will be carrying the load in the proportion of Federal income taxes they will contribute toward the cost of the programs such as those proposed under title I of S. 1021. Our analyses of these costs for each of the proposed 3 years of S. 1021 appear on the next three pages.

TABLE 30.—How States would fare during fiscal 1962 under the administration's proposed "School Assistance Act of 1961" for public school construction and teachers' salaries, S. 1021—H.R. 4970

State	Federal allotment	Estimated tax payments	Net "aid" received from other States	Net "aid" paid to other States
Alabama.....	\$19,691,692	\$6,530,000	\$13,161,692	
Alaska.....	555,000	730,000		\$175,000
Arizona.....	6,260,276	3,800,000	2,460,276	
Arkansas.....	10,538,844	3,130,000	7,408,844	
California.....	52,733,321	72,990,000		20,256,679
Colorado.....	7,157,176	6,260,000	897,176	
Connecticut.....	6,600,000	14,450,000		7,850,000
Delaware.....	1,155,000	3,730,000		2,575,000
Florida.....	19,120,968	16,720,000	2,400,968	
Georgia.....	22,014,247	8,860,000	13,154,247	
Hawaii.....	3,121,256	2,000,000	1,121,256	
Idaho.....	3,760,723	1,800,000	1,960,723	
Illinois.....	23,310,000	47,750,000		24,440,000
Indiana.....	16,956,529	15,180,000	1,776,529	
Iowa.....	11,280,457	7,920,000	3,360,457	
Kansas.....	9,445,918	6,390,000	3,055,918	
Kentucky.....	14,583,887	6,990,000	7,593,887	
Louisiana.....	15,034,329	7,920,000	7,114,329	
Maine.....	4,125,926	2,860,000	1,265,926	
Maryland.....	8,976,670	12,790,000		3,813,330
Massachusetts.....	11,790,000	23,110,000		11,320,000
Michigan.....	27,070,253	29,770,000		2,699,747
Minnesota.....	13,062,937	10,720,000	2,342,937	
Mississippi.....	14,687,634	3,000,000	11,687,634	
Missouri.....	12,246,808	15,250,000		3,003,192
Montana.....	2,919,012	1,860,000	1,059,012	
Nebraska.....	5,321,259	4,200,000	1,121,259	
Nevada.....	952,274	1,400,000		447,726
New Hampshire.....	1,734,218	2,200,000		465,782
New Jersey.....	14,400,000	28,970,000		14,570,000
New Mexico.....	5,275,194	2,460,000	2,815,194	
New York.....	37,650,000	91,110,000		53,460,000
North Carolina.....	27,905,485	9,190,000	18,715,485	
North Dakota.....	3,100,067	1,270,000	1,830,067	
Ohio.....	28,735,988	38,490,000		9,754,012
Oklahoma.....	11,951,838	6,190,000	5,761,838	
Oregon.....	7,095,843	6,330,000	765,843	
Pennsylvania.....	26,880,000	46,290,000		19,410,000
Rhode Island.....	1,800,000	3,530,000		1,730,000
South Carolina.....	15,228,456	4,060,000	11,168,456	
South Dakota.....	3,262,057	1,330,000	1,932,057	
Tennessee.....	19,542,885	7,930,000	11,612,885	
Texas.....	40,262,707	28,840,000	11,422,707	
Utah.....	5,778,627	2,400,000	3,378,627	
Vermont.....	1,459,990	1,130,000	329,990	
Virginia.....	17,846,093	11,320,000	6,526,093	
Washington.....	11,408,373	10,860,000	548,373	
West Virginia.....	10,658,865	4,530,000	6,128,865	
Wisconsin.....	11,615,012	13,790,000		2,174,988
Wyoming.....	1,541,357	1,070,000	471,357	
District of Columbia, Guam, Puerto Rico, and Virgin Islands.....	16,394,549	4,600,000	11,794,549	
Total.....	666,000,000	666,000,000		

Source of data: Col. 1, Office of Education, U.S. Department of Health, Education, and Welfare. Other columns computed by Chamber of Commerce of the United States.

TABLE 31.—How States would fare during fiscal year 1963 under the administration's proposed "School Assistance Act of 1961" for school construction and teachers' salaries

State	Federal allotment	Estimated tax payments	Net "aid" received from other States	Net "aid" paid to other States
Alabama.....	\$22, 583, 245	\$7, 510, 000	\$15, 073, 245	-----
Alaska.....	645, 000	840, 000	-----	\$195, 000
Arizona.....	7, 619, 234	4, 370, 000	3, 249, 234	-----
Arkansas.....	11, 874, 871	3, 600, 000	8, 274, 871	-----
California.....	64, 313, 909	83, 950, 000	-----	19, 636, 091
Colorado.....	8, 603, 311	7, 200, 000	1, 403, 311	-----
Connecticut.....	6, 960, 000	16, 620, 000	-----	9, 660, 000
Delaware.....	1, 215, 000	4, 290, 000	-----	3, 075, 000
Florida.....	23, 494, 752	19, 230, 000	4, 264, 752	-----
Georgia.....	25, 488, 608	10, 190, 000	15, 298, 608	-----
Hawaii.....	3, 711, 812	2, 300, 000	1, 411, 812	-----
Idaho.....	4, 339, 997	2, 070, 000	2, 269, 997	-----
Illinois.....	24, 060, 000	54, 920, 000	-----	30, 860, 000
Indiana.....	19, 671, 096	17, 460, 000	2, 211, 096	-----
Iowa.....	13, 016, 980	9, 110, 000	3, 906, 980	-----
Kansas.....	11, 033, 685	7, 350, 000	3, 683, 685	-----
Kentucky.....	16, 638, 833	8, 040, 000	8, 598, 833	-----
Louisiana.....	17, 525, 995	9, 120, 000	8, 405, 995	-----
Maine.....	4, 750, 050	3, 290, 000	1, 460, 050	-----
Maryland.....	10, 773, 691	14, 710, 000	-----	3, 936, 309
Massachusetts.....	12, 090, 000	26, 580, 000	-----	14, 490, 000
Michigan.....	32, 079, 528	34, 240, 000	-----	2, 160, 472
Minnesota.....	15, 270, 830	12, 330, 000	2, 940, 830	-----
Mississippi.....	16, 255, 415	3, 450, 000	12, 805, 415	-----
Missouri.....	14, 064, 931	17, 540, 000	-----	3, 475, 069
Montana.....	3, 419, 626	2, 140, 000	1, 279, 626	-----
Nebraska.....	6, 129, 038	4, 830, 000	1, 299, 038	-----
Nevada.....	1, 174, 979	1, 610, 000	-----	435, 021
New Hampshire.....	2, 035, 633	2, 530, 000	-----	494, 367
New Jersey.....	14, 985, 000	33, 320, 000	-----	18, 335, 000
New Mexico.....	6, 263, 277	2, 830, 000	3, 433, 277	-----
New York.....	38, 715, 000	104, 790, 000	-----	66, 075, 000
North Carolina.....	32, 093, 440	10, 570, 000	21, 523, 440	-----
North Dakota.....	3, 558, 869	1, 460, 000	2, 098, 869	-----
Ohio.....	33, 879, 936	44, 270, 000	-----	10, 390, 064
Oklahoma.....	13, 723, 715	7, 120, 000	6, 603, 715	-----
Oregon.....	8, 356, 592	7, 280, 000	1, 076, 592	-----
Pennsylvania.....	30, 986, 280	53, 240, 000	-----	22, 253, 720
Rhode Island.....	1, 845, 000	4, 060, 000	-----	2, 215, 000
South Carolina.....	17, 537, 616	4, 670, 000	12, 867, 616	-----
South Dakota.....	3, 796, 681	1, 530, 000	2, 266, 681	-----
Tennessee.....	22, 526, 242	9, 110, 000	13, 416, 242	-----
Texas.....	47, 368, 850	33, 170, 000	14, 198, 850	-----
Utah.....	6, 725, 922	2, 760, 000	3, 965, 922	-----
Vermont.....	1, 638, 770	1, 300, 000	338, 770	-----
Virginia.....	20, 821, 009	13, 020, 000	7, 801, 009	-----
Washington.....	13, 486, 454	12, 490, 000	996, 454	-----
West Virginia.....	12, 110, 817	5, 210, 000	6, 900, 817	-----
Wisconsin.....	13, 630, 448	15, 860, 000	-----	2, 229, 552
Wyoming.....	1, 803, 631	1, 230, 000	573, 631	-----
District of Columbia, Guam, Puerto Rico, and Virgin Islands.....	19, 306, 402	5, 290, 000	14, 016, 402	-----
Total.....	766, 000, 000	766, 000, 000	-----	-----

Source of Data: Col. 1, Office of Education, U.S. Department of Health, Education, and Welfare. Other columns computed by Chamber of Commerce of the United States.

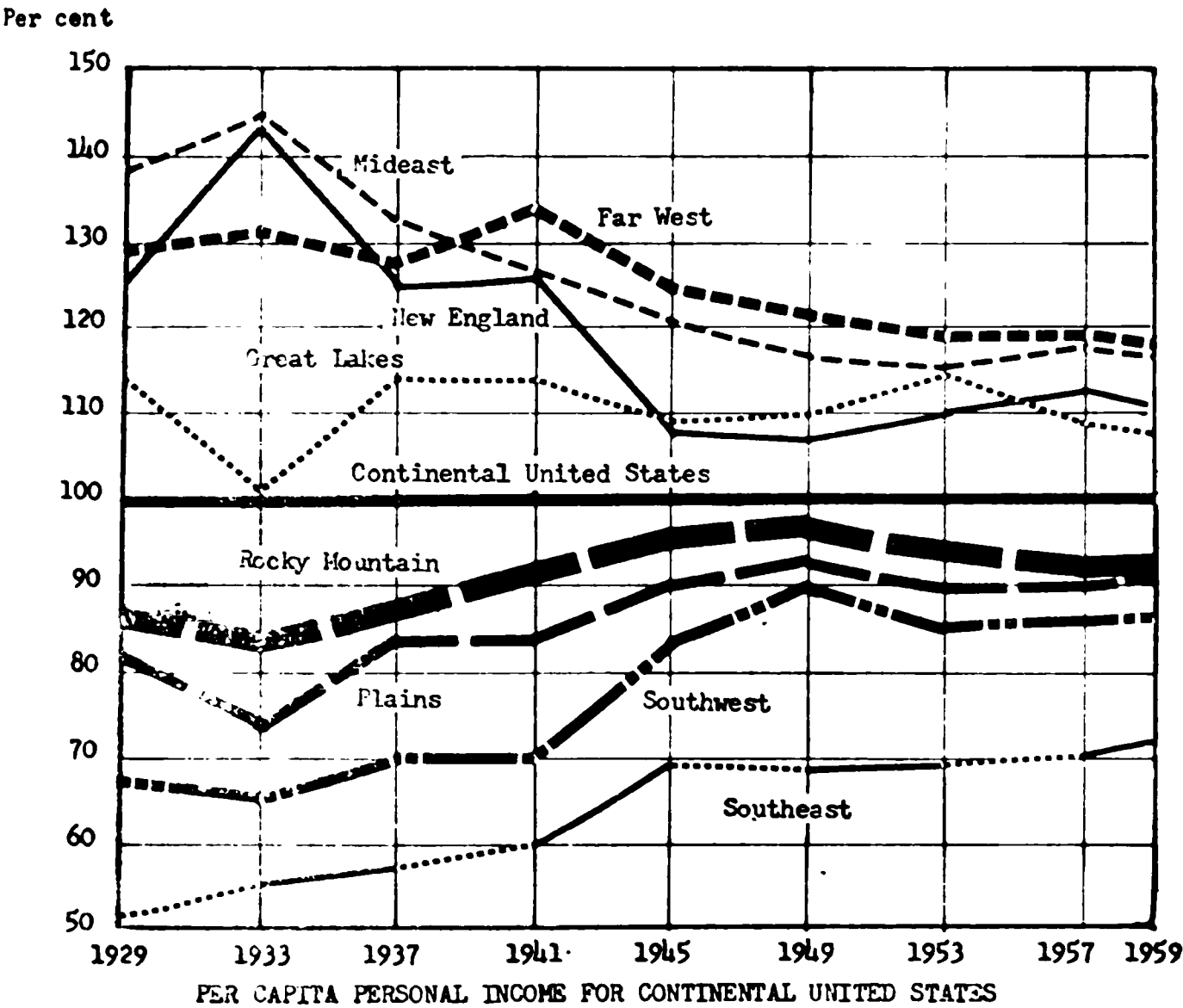
TABLE 32.—How States would fare during fiscal year 1964 under the administration's proposed "School Assistance Act of 1961" for school construction and teachers' salaries

State	Federal allotment	Estimated tax payments	Net "aid" received from other States	Net "aid" paid to other States
Alabama.....	\$25,327,454	\$8,490,000	\$16,837,454	.....
Alaska.....	750,000	950,000	.....	\$200,000
Arizona.....	9,043,884	4,940,000	4,103,884	.....
Arkansas.....	13,101,790	4,070,000	9,031,790	.....
California.....	76,414,133	94,910,000	.....	18,495,867
Colorado.....	10,074,516	8,140,000	1,934,516	.....
Connecticut.....	7,305,000	18,790,000	.....	11,485,000
Delaware.....	1,290,000	4,850,000	.....	3,560,000
Florida.....	28,120,464	21,740,000	6,380,464	.....
Georgia.....	28,859,731	11,520,000	17,339,731	.....
Hawaii.....	4,285,832	2,600,000	1,685,832	.....
Idaho.....	4,872,393	2,340,000	2,532,393	.....
Illinois.....	24,780,000	62,090,000	.....	37,310,000
Indiana.....	22,317,020	19,740,000	2,577,020	.....
Iowa.....	14,680,475	10,300,000	4,380,475	.....
Kansas.....	12,613,723	8,310,000	4,303,723	.....
Kentucky.....	18,558,615	9,090,000	9,468,615	.....
Louisiana.....	19,997,176	10,300,000	9,697,176	.....
Maine.....	5,326,446	3,720,000	1,606,446	.....
Maryland.....	12,629,855	16,630,000	.....	4,000,145
Massachusetts.....	13,273,515	30,050,000	.....	16,776,485
Michigan.....	37,150,155	38,710,000	.....	1,559,845
Minnesota.....	17,445,053	13,940,000	3,505,053	.....
Mississippi.....	17,565,544	3,900,000	13,665,544	.....
Missouri.....	15,795,929	19,830,000	.....	4,034,071
Montana.....	3,920,101	2,420,000	1,500,101	.....
Nebraska.....	6,912,416	5,460,000	1,452,416	.....
Nevada.....	1,411,359	1,820,000	.....	408,641
New Hampshire.....	2,337,963	2,860,000	.....	522,037
New Jersey.....	15,555,000	37,670,000	.....	22,115,000
New Mexico.....	7,302,037	3,200,000	4,102,037	.....
New York.....	39,735,000	118,470,000	.....	78,735,000
North Carolina.....	36,142,562	11,950,000	24,192,562	.....
North Dakota.....	3,969,490	1,650,000	2,319,490	.....
Ohio.....	39,031,368	50,050,000	.....	11,018,632
Oklahoma.....	15,400,110	8,050,000	7,350,110	.....
Oregon.....	9,601,681	8,230,000	1,371,681	.....
Pennsylvania.....	34,942,097	60,190,000	.....	25,247,903
Rhode Island.....	1,974,787	4,590,000	.....	2,615,213
South Carolina.....	19,776,441	5,280,000	14,496,441	.....
South Dakota.....	4,295,246	1,730,000	2,565,246	.....
Tennessee.....	25,390,845	10,310,000	15,080,845	.....
Texas.....	54,438,623	37,500,000	16,938,623	.....
Utah.....	7,662,943	3,120,000	4,542,943	.....
Vermont.....	1,827,851	1,470,000	357,851	.....
Virginia.....	23,746,498	14,720,000	9,026,498	.....
Washington.....	15,567,293	14,120,000	1,447,293	.....
West Virginia.....	13,443,253	5,890,000	7,553,253	.....
Wisconsin.....	15,650,932	17,930,000	.....	2,279,068
Wyoming.....	2,065,380	1,390,000	675,380	.....
District of Columbia, Guam, Puerto Rico, and Virgin Islands.....	22,320,021	5,980,000	16,340,021	.....
Total.....	866,000,000	866,000,000	.....	.....

Source of data: Col. 1, Office of Education, U.S. Department of Health, Education, and Welfare. Other columns computed by chamber of commerce of the United States.

Circumstances such as these bear out another injustice that we believe is inherent in current proposals to subsidize schools from the Federal Treasury. Equalization formulas designed to redistribute the wealth from the richer States to the poorer States will be injuring the very States which will be experiencing the greater increases in enrollment. Consequently, as shown on previous pages, what shortage does exist is greater where the economy is growing most, rather than in the so-called poorer States—which, incidentally, are not so poor anymore. As indicated by the chart which follows, equalization, which was the original excuse for earlier bills proposing subsidies for education, has been largely forgotten because natural equalization of regional economies has narrowed the spread between the wealthiest and the poorest. Hence, every State can provide good schools if it uses its resources fully and efficiently.

TABLE 33  
REGIONAL PER CAPITA PERSONAL INCOME AS PER CENT OF  
CONTINENTAL UNITED STATES PER CAPITA INCOME



\$	1929	1933	1937	1941	1945	1949	1953	1957	1959
	703	375	573	719	1234	1382	1788	2052	2166

—————	New England:	Me., N.H., Vt., Mass., R.I., Conn.
-----	Mideast:	N.Y., N.J., Pa., Del., Md., D.C.
.....	Great Lakes:	Mich., Ohio, Ind., Ill., Wis.
=====	Plains:	Minn., Iowa, Mo., N.D., S.D., Nebr., Kans.
-----	Southeast:	Va., W. Va., Ky., Tenn., N.C., S.C., Ga., Fla., Ala., Miss., La., Ark.
=====	Southwest:	Okla., Tex., N.M., Ariz.
=====	Rocky Mountain:	Mont., Idaho, Wyo., Colo., Utah
=====	Far West:	Wash., Ore., Nev., Calif.



The most basic fact in discussing proposals for Federal assistance to schools is responsibility for revenue collection. At the Federal level, it is a fact that the so-called unending tax resources do have a definite terminal point. In fact, the Federal budget operated at a deficit 80 percent of the time during the last 30 years. How then can it take on the additional burden of raising money for all the health, education, and welfare functions which the States and private individuals have previously performed? There is general agreement that the present level of Federal taxation is so high as to impede the formation of risk capital and plans are being drawn to revise the rates downward. Therefore, the money must come from individuals, through their communities and States which still have many unused tax resources. For example, one-third of the States have no income tax; one-third of the States have no sales tax; and some have neither.

Constitutionally, the States and communities should and can be the source of school finance as well as school direction and control. The best possible solutions to the problems of school improvement and efficiencies in education can be worked out in the atmosphere of competitive freedom rather than in an environment of monopoly. The plurality of responsibilities between and within the States is the primary thesis of American educational philosophy. The antithesis is to be found among the advocates of central direction who openly urge us to renounce our historical convictions opposing a nationalized school system, standardized curriculums, uniform equipment, and, presumably, textbooks.

The people of the United States have proved that they are more than equal to the challenge to meet their educational needs via local and community action. Their efforts have made it possible for us to boast, proudly, that more Americans receive a better education, are taught by better teachers, and do their learning in better facilities than is possible in any nation on earth.

We conclude, then, with the contention that grant-in-aid legislation like that under consideration of this committee and especially under title I of S. 1021 is not only unnecessary, but might slow down local and State action upon which needed improvements in the quality of education actually depends.

The national chamber will continue to urge business leadership and cooperation in such State and local action to build and maintain good school systems. We are convinced that this is the only means by which people in those communities and States can have the schools which they believe proper for their children.

Senator MORSE. Mr. Watson, I am very happy to welcome you to the witness stand. You may proceed in your own way.

I would like to reserve for the subcommittee the right both as regards you and also Mr. Hecht, that as we proceed with our executive sessions we can feel free to call upon you for additional information and memoranda of any questions which we may want to submit to you.

Dr. WATSON. Thank you, Mr. Chairman. I have with me here Mr. Bielski, who is a member of the staff of the education department of the U.S. Chamber of Commerce. I am Brantley Watson and have been a member of the education committee in the chamber for a number of years, and we are pleased to have the opportunity to present for your consideration the views of the chamber which are, basically, and in substance, in opposition to the various bills that are being considered at this time.

Representing the chamber, I am, of course, reflecting the views of the chamber but they are ones to which I personally subscribe, and I might mention just something of my own experience so you can judge what I have to say against the background.

I am a former educator who became interested in business. I am now a businessman who is vitally interested in education.

Senator MORSE. Unfortunately, you are one of those teachers we lost.

Dr. WATSON. Well, for certain particular reasons, yes, sir.

I did receive my doctor's degree at Duke University and taught educational psychology for a number of years there, and then entered

business in the field of personnel work as vice president of the Federal Reserve Bank of Richmond. I am now vice president and director of Human Relations for McCormick & Co., in Baltimore, Md. My work, even though I am in business, is very closely related to a general interest in education.

I am sure it is important from the standpoint of the subcommittee members, to evaluate any testimony presented here against the background of the objectives and the nature of the organization represented in this testimony. For that reason, and for that reason only, perhaps, I might mention something about the U.S. Chamber itself.

It is composed of 3,600 local chambers and associations throughout the United States. The national chamber itself simply represents an affiliation of the independent and voluntary trade associations and local chambers.

However, the national policy which has been devised reflects the views of these chambers. It is not something simply promulgated at the national level itself.

Last year at the annual meeting of chamber members, delegates or representatives unanimously confirmed the statement of education policy of the chamber. As late as this last February 24, 25, the chamber's board of directors affirmed this policy which is really based on three legs, if you will.

One of them is a clear recognition of the importance of education, not only generally to the country but to the interest of business itself. I think, perhaps, the chamber was among the first of all associations and societies to make intensive studies of the relationship between education and business in its publications.

It has since devoted a major portion of its effort in the direction of improving education and lending assistance in that direction because it recognizes its dependence upon the products of the schools, among our employees, the enlightened citizenry for good government and also in generally raising of standards of living among our consumers.

So we have a vital stake in this matter of education personally and collectively.

Secondly, we believe that educational opportunity is the right of every American through high school and, then, for everyone with ability and interest even beyond that point.

#### EDUCATION A LOCAL RESPONSIBILITY

We firmly believe that that is an established right of every American.

The third point, perhaps the one on which we disagree with some other groups—but we are all in agreement on the first two—is that we firmly believe the responsibility for administering and financing education is distinctly and uniquely a local and State responsibility. It is on that point principally that we are in opposition to some of the bills that have been presented here today.

Now, because of this interest and this belief in the furthering of education at the local level, the activities and the attention of the chamber itself have been directed to that point. I have had the privilege of participating in testimony of this kind before, and in many other meetings in which the position of the chamber has been expressed. I am often asked, "Well, why is it that you come up here and seem

almost uniformly in opposition to so many of these proposals for Federal aid to education?"

I can only say that since our interest and attention is directed at the improvement of education at the local level, we have not espoused action at the Federal level. So, naturally, we are consistently in opposition to contrary views. But at the local level through 2,200 local education committees scattered all over the country, a tremendous amount of activity on the part of the businessman has been going on for many years and it is accelerating.

I would like to have time to describe some of the efforts but I realize we must get to more pertinent aspects of this testimony.

I would like to suggest, Mr. Chairman, that we submit for the record the full testimony and that I simply highlight some of the contents.

Senator MORSE. I was just going to suggest that. Let the record show that the full statement of Dr. Watson will be inserted in the record at the beginning of his testimony, Mr. Reporter, and then these comments in explanation will follow.

Dr. WATSON. I would be very glad, as you suggested when we first opened this particular part of the session, to provide the subcommittee with any further information in support of some of the rather broad generalizations I will have to make in the time limit.

Senator MORSE. We will take advantage of that, Doctor.

Dr. WATSON. Why is it that the chamber is opposed to Federal or what we prefer to call "intervention" in the financing of education?

One of the participants this morning referred to—

Senator YARBOROUGH. Doctor, are you talking about this Federal aid to education bill or some other bill when you refer to the "intervention" bill?

We do not have an intervention bill before this committee. We have an aid bill here.

Dr. WATSON. Well, we believe—and that is why I qualified it by saying, "By what we prefer to call 'intervention'"—this kind of participation on the part of the Federal Government, whether as interpreted by some as constructive or otherwise, is intervening into the educational process—the financing of it—at the local level.

Senator YARBOROUGH. How? There is no force used? No State is forced to take this money.

Dr. WATSON. No.

Senator YARBOROUGH. How?

Dr. WATSON. In terms of financing, because most certainly all States necessarily will be taxed to support this kind of expenditure; the provisions themselves inject the Federal Government into the financing of education at the local level.

Senator YARBOROUGH. Now, is all the rest of your statement on a comparable level of fairness and dispassionate discussion in the creation of this term "intervention" in trying to rename this bill an "intervention" bill?

Dr. WATSON. The testimony I have to offer, I think, is quite factual. I would have no personal objections, and I am sure the chamber would not, if you wish to strike that from the record; that is, the word "intervention."

Senator YARBOROUGH. Oh, no. The chamber can be the judge of that. It can make its own record of fairness and objectivity.

Dr. WATSON. I think—

Senator MORSE. May I interrupt?

Dr. WATSON. Yes, sir.

Senator MORSE. Dr. Watson, in my capacity as chairman—and I have been in many situations where I have not always agreed with witnesses—but I am proud of the fact that I agree in part with you, and I will not let you strike it, and I will not have anybody strike it.

Dr. WATSON. Very well, because we certainly feel that type of thing is not the substance of my testimony. I think you realize that, Senator Yarborough, that is in a way irrelevant to the basic points that I wish to speak to, but not contradictory to it.

Why is it that we are basically opposed to Federal participation, if you will, in the financing of education? This morning someone referred to the dirty word, as he expressed it, of Federal control. I wouldn't refer to it that way, particularly, but nevertheless that is an important element in this situation and deserves most serious consideration, and not to be just disregarded or tossed aside as if it were of no consequence. Although the present bills, and I have examined them carefully, are innocuous enough in themselves, in that respect. In fact, they are very forthright in stating a prohibition against the control of the process of education. As far as curriculum or instruction and influence in that respect are concerned, it is our very sincere concern that even this first step—which in itself is very forthright—could well establish the mechanism or the vehicle through which future Congresses might not preserve such a view.

Now, I want to substantiate that in a little more specific way, for this reason:

There have been several references, for example, to the vocational education act and such questions raised, as "has anybody raised his voice to suggest that there has ever been a degree of Federal control in this area?"

I think the record very definitely points to the fact that there has been.

Where the Government prescribes the conditions under which particular education must be given in order to qualify for subsidy, that is a degree of Federal control. We all know that this is the case. The vocational education program arose in a period of crisis, but it has not remained a temporary measure at all.

I would refer to the National Defense Education Act, and I had the pleasure to discuss this with one of the committees when it was under consideration.

At the time there was a very strong statement that this was to meet an immediate emergency crisis. It was a temporary type of thing and yet, certainly, today we realize that there are proposals in the direction of not only continuing, but expanding it.

I was interested in seeing a summary of a symposium and conference by school superintendents conducted in Arkansas, where they expressed very serious concern that this act had influenced the curriculum of the schools in making available money for certain disciplines and not for others.

They were, of course, concerned that the other courses weren't tacked on. I suppose that perhaps their interest would be in seeing that the same amounts are provided to all types of curricula, not just in a limited area.

Now, this is the type of thing that we have expressed concern over. We are not concerned about a particular bill, but what such bills as S. 1021 could well lead to in the future—in the history of things as they go along.

#### IMPEDES LOCAL SCHOOL EFFICIENCY

A second reason we are opposed is, we feel that if the Federal Government, in any substantial way, gets into the matter of financing education, it will inevitably, at least to some extent, impede initiative on the part of local communities to improve efficiency of operation.

I certainly would not wish to hold the necessity for efficiency as a hammer over someone's head, when he claims he doesn't have adequate funds to work with, and I don't imply that in the least.

Nevertheless, it is true that the greatest progress in the consolidation of school districts—which was one of the most wasteful areas of expenditures we have had, because there were so many school districts—has resulted primarily from the necessity for conserving resources. A great savings has been made in that area.

Utilizing school facilities and building schools that are functionally sound and useful and not simply ornamental monuments to somebody's memory is a consequence of the need for conserving resources.

Another question is the teaching area itself. I would like to discuss it with some of these educational administrators in mind. It is in the field of teaching, and in education generally, that I believe there could be very real organizational improvements made which would enable us—even with current resources—to pay our best teachers what they must be paid to keep them, and at the same time provide services of less skill by those who need not be paid as much as teachers should receive.

But perhaps one of the most important reasons we oppose the legislation is one that is of general consequence. It is the very impact on our economy, generally, of more and more and more Federal Government assumption of responsibility for costly services which must inevitably drain off resources from the local communities through taxation that could otherwise be made available to them.

This is a whole area. We will just touch on it and pass.

We recognize very clearly that the Federal Government has a responsibility and a clear obligation in instances of national crisis or in instances where only a Federal agency could satisfy the need for the well-being of the country as a whole. We recognize some activities of the Federal Government as of today that are perfectly legitimate.

#### SUPPORT IMPACTED AREA PROVISIONS

When the Federal Government creates a situation causing undue expenses in certain areas through its own establishments, we believe that it should reimburse in some appropriate way—the impacted areas that we talk about. That portion of S. 1021 we would support and not oppose.

We believe that in certain instances, as in the wartime GI bills and others of crisis and emergency, there is a proper area of Federal—and, Senator Yarborough, I won't say "intervention"—let's say "support and help," or "direction," if you will—direction.

Even the distribution of surplus foods—created, perhaps, as a crisis by certain Government actions—we think is a proper and appropriate thing for Government. However, the question at the moment is—as we see it—is our educational situation today one of crisis? And I think that is the real question—the substance of what I wish to report on. I do not believe that it is a situation of crisis that cannot be met. In fact, it is being met by our local communities today, and with anticipated success in the future.

We have heard a lot of statistics and they can be misleading. I am going to quote a few myself and just a few. I am going to give a little different twist to the interpretations that have been placed on some of them.

Certainly we don't question the need for better education. Certainly we don't question the need to have more money spent on education.

Our point is that there is tremendous and even dramatic progress being made today without Federal assistance or support.

#### PROGRESS MADE WITHOUT FEDERAL AID

Now, what are the critical areas that are most often mentioned? I can only touch on a few situations.

In the first place, it has been stated that our total educational effort is niggardly; that education does not have the full support of our economy that it should have; that we can't afford this low level as a country.

Secondly, there is the testimony of teacher shortage.

Third, there is the classroom shortage.

And in the fourth place, there is the question of whether individual localities actually can finance what they need to do in education if the citizens have a will to do that, which is their responsibility.

I would only point out the following in terms of what we are doing in the field of education: Over 47 million people in this country participate in education.

Ninety-nine percent of all children between ages 6 and 15 are in school—99 percent.

Eighty-five percent, aged 16 and 17 are in school.

One-third of our youngsters enter college and two-thirds who enter graduate.

A million and a half high school diplomas and half a million degrees from colleges are granted per year.

There isn't any country in the world that can come near matching this or that has any reasonable expectation of being able to match it at any time in the near future.

Now, the total investment in education:

Some say that we just don't get as much of our total national product for education as we should have in an enlightened country such as ours.

In reference to the gross national product, in the last 30 years spending for education has risen from a little over 1 percent to almost 5 percent. Relative to other segments of our economy there has been a larger increase in resources devoted to education than most other activities except national defense and that was a crisis situation.

So we say that we are not neglecting education in this country and we are very proud of what has been done.



Now, going to the second area of crisis claimed—that is, of the teacher shortage:

We have a million and a half teachers in 1961 as compared to only 950,000 in 1950, just a decade ago. In this period of time the teacher-pupil ratio—that is the number of pupils per teacher—has declined from 26 to 25 pupils for the average teacher, and to 21 for every teacher in high school. There are few educators who claim that an average of 25 pupils per teacher is an overly large burden on a teacher.

The estimated teacher shortage can be greatly misleading. The percent of college graduates qualified to teach is increasing far more rapidly than projected school enrollments. The enrollment increases from year to year in the next decade—we have reached the peak of increase in school enrollment—will decrease or be cut in half in the next 10 years, whereas the projected graduates qualified to teach will double in this period of time.

In fact, you could examine these figures and interpret them to mean that in 10 years we are going to have a surplus of teachers rather than a shortage. I wouldn't go that far. I hope that we would improve to the point where we can use all of them.

#### INCREASES IN TEACHERS' SALARIES

The area of salaries is a most important one and this again can be very misleading. There has been an increase of 73 percent in teacher salaries since 1951 from \$3,000 to \$5,300, nearly \$5,400, on an average.

I would make a distinction here, and I must, in all fairness. There is a difference in the problem between women's salaries as teachers and men's salaries. Women teachers are the highest paid group of professional women, requiring a comparable education of any size or consequence to be found. Their average pay is the highest for any kind of State and public employee. I happen to be a member of the State salary board in the State of Maryland and I know. We are proud that our teachers' salaries are actually higher than those in welfare, in health and nursing and in all the other areas of similar importance.

So we cannot say that the reason we are going begging for women teachers is that they can make more money elsewhere. The fact is that the average teacher's salary—and I am in business and I know this area—is higher than what these women can make in business. Only 1 percent of the teachers who left teaching, left to go into a business—1 percent. That is not even a normal mobility. So business is not draining off women teachers.

And now, we come to the men. Certainly here we have a different kind of problem. We cannot expect a man of the highest caliber on the average salaries we are talking about to make a career of education unless he has some further opportunity.

But this leads to the basic question that is not primarily economic and financial. It is that as long as the teaching profession itself insists on a standard level of salaries for everybody, the most competent teachers—no matter what that level—will always be underpaid relatively. And I would dare say the most incompetent ones today are overpaid or, perhaps, shouldn't be teaching at all. The



teaching profession itself can find many ways of incentive to provide higher levels of salaries for people of higher level ability.

Nevertheless it is interesting to note that the percentage of men in public education has increased since 1930 from 16 to 28 percent.

#### CLASSROOM SHORTAGE

Now, I will go ahead to the next area, which is that of classroom shortages: All of the figures show the shortage is roughly 140,000 school classrooms this year. I would say that figure has to be interpreted because a large percentage of it is due, not to any economic factors at all or lack of ability to finance, but to mobility of populations, of suburban growth. The areas involved could not anticipate growth and couldn't have provided the proper classrooms if they had had all the money that they needed at their disposal.

This is not the whole answer, but it is a part of the answer.

Senator MORSE. Dr. Watson, I want to go back just a moment to make my first request for some additional information from you.

I imagine your statistical worksheets contain the material that was used in order to get the final results? I am going back to this matter of the teacher-student ratios.

If my memory serves me correctly the District of Columbia is still striving to get a 30-to-1 ratio, and I was just wondering, as I evaluated your statistics, and I think it was 26 to 25—

Dr. WATSON. On a national average.

Senator MORSE. On a national average. I wonder if you could supply us with a supplemental memorandum on this, if your statistics can be broken down.

It is rather a broad line of distinction—what is going through my mind is the feeling that probably in the rural areas of this you may have a lower ratio and in some of our metropolitan areas a higher ratio. We are talking about an average and you and I know averages have to be analyzed.

I wonder if you could break the material down to show whatever the distinction is between rural areas and metropolitan areas. Maybe it would be helpful if we could see it also in terms of those areas where the population explosion has taken place, and the areas in which there is either a standstill in population or a decline in population.

All I am looking for are the facts. We can make our own interpretations of them. If you have got this material it just saves us from digging into and getting it.

Dr. WATSON. I will be very, very pleased to supply you with that kind of information.

(The following letter and attachments subsequently received for the record:)

CHAMBER OF COMMERCE OF THE UNITED STATES OF AMERICA,  
Washington, D.C., March 22, 1961.

Senator WAYNE MORSE,  
Senate Labor Committee, New Senate Office Building,  
Washington, D.C.

DEAR SENATOR MORSE: This letter provides two items which members of your subcommittee requested of Dr. K. Brantley Watson during his testimony on March 9.

The first is a further breakdown of the composite average pupil-teacher ratio which dropped from 26 to 1 in 1950 to 25 to 1 in 1960.

The facts Dr. Watson cited were based upon statistics from two commonly available sources, later figures from which now show that the decline in average ratio is even more dramatic this year and now stands at 24.4 to 1.

Many people do not realize that the number of pupils per member of instructional staff has declined continuously from 35.6 in 1900 to 29.2 in 1930, to 26.1 in 1950, and to 25 in 1959-60. The decline was 6.4 pupils per teacher between 1900 and 1930, and 4.2 pupils per teacher between 1930 and 1960.

The following table reveals this progression:

*Enrollment and staff in the public schools, 1900-1960*

	Enrollmen	Instructional staff	Pupil-teacher ratio
School year:			
1899-1900.....	15, 503, 000	<sup>1</sup> 436, 000	1:35.6
1929-30.....	25, 678, 000	880, 000	1:29.2
1949-50.....	25, 111, 000	962, 000	1:26.1
1959-60.....	36, 400, 000	1, 455, 000	1:25.0
Percent increase, 1930-60.....	+42	+65	-----

<sup>1</sup> Includes adjustment for 13,000 administrators.

Source: 1900-1950: U.S. Office of Education, "Statistics of State School Systems, 1955-56." 1959: National Education Association, "Estimates of School Statistics, 1959-60."

A study of 40 large city school systems by the Los Angeles School District indicated that the teacher-pupil ratio dropped 8.0 pupils in elementary schools, 7.5 pupils in junior high schools, and 7.2 pupils in senior high schools between 1935 and 1958 (from the Nation's Schools, June 1958, p. 8).

The school systems of New York City, Chicago, and Philadelphia lost 11 to 16 percent of their enrollment between 1930 and 1956, but teaching staffs grew between 6 and 16 percent. The evidence is conclusive that class sizes have been consistently declining in school systems all over the country.

The root of the problem is not inadequate supply of qualified teachers, but inefficient use of them and of school revenues as well. The teacher-pupil ratio in some of the "small district" States in 1959 was around 1:20, and it is noteworthy that with expenditures per pupil equal to or above the national average, average salaries for teachers in these States were below the national average. Federal assistance would, here, only remove economic pressures to use local-State school funds more efficiently.

If the purpose of Federal legislation is to improve the quality of education, the opposite effect would be achieved in these States. By helping them to afford the luxury of their inefficiency, the continuation of small schools with narrow curriculums would be encouraged.

The second item mentioned during Dr. Watson's testimony was Senator McNamara's request for a record of local and State chambers of commerce on education issues. The questionnaire used in our survey of local chamber action on school issues, as well as the summary of replies received from 663 local chambers, to which Dr. Watson referred in our testimony is enclosed. (News & Cues, April 1960.)

To document the State chambers' efforts, I am also enclosing a summary of a survey of State chamber activities which we undertook a year prior (1959) to the local chamber survey.

Sincerely,

CLARENCE R. MILES,  
Manager, Legislative Department.

Attachment.

P.S.—I would appreciate it if you would make this communication a part of the printed record of your hearings.



# News Cues

*Educator and Businessmen to Discuss*

## WHAT MAKES SCHOOLS GOOD?

Annual Meeting delegates concerned over what they can do to make schools better will get some answers at the Education Luncheon on May 3, in the Congressional Room of the Statler Hotel.



**Benjamin C. Willis** will comment on various factors which add up to "good" schools. He will discuss controversial issues, such as:

- How do American schools compare to European?
- How efficient are American schools?
- Who should decide school policies?
- How well prepared are American teachers?
- Are there frills in American education?

### **Annual Meeting Theme Used**

The Education Luncheon program was planned around the Annual Meeting theme, "Building America's Strength Through Voluntary Action." A panel of three business leaders who have sparked such voluntary action in their own hometowns will describe what communities can do to improve their schools.

Rabbi Morris M. Hershman, president of the Joliet (Ill.) Association of Commerce will discuss the leadership which business gave to improving city government and the school system in Joliet.

Edward C. Ames, public relations director of the Owens-Illinois Glass Co., Toledo (Ohio), past president of the Toledo Board of Education, and a member of the Ohio State Board of Education, will discuss the importance of school boards and how

businessmen can assist them. He will challenge delegates to share the responsibility for the quality of education in their communities.

Dr. K. Brantley Watson, vice president in charge of human relations at McCormick & Co., Baltimore (Md.), former personnel director in the Federal Reserve System, and one-time director of guidance at Duke University, will describe local chamber projects that lead to better rapport between businessmen and educators—and hence, to better schools.

The program will be moderated by Robert A. Finney, general manager of the Humboldt Brick & Tile Company, Humboldt (Kans.). Mr. Finney is a director of the National Chamber and chairman of the Education Committee on which Dr. Watson and Mr. Ames have served.

### **Delegates May Question Panelists**

Delegates will have an opportunity to question Dr. Willis and the panelists. Questions asked during the Chamber's recent Aircade indicated that many civic-minded businessmen are genuinely confused by current controversies over the meaning of good schools.

The Education Luncheon program will help to clarify thinking on what makes a school good and suggest ways for delegates to improve schools in their hometowns.

### **Contest Winner Will Deliver Prize Speech**

A special feature at the Education Luncheon will be the personal appearance of 16-year-old Richard J. Smith, national winner of the 1960 Voice of Democracy broadcast script-writing contest. He will deliver his prize-winning script, "I Speak for Democracy."

His hometown Chamber of Commerce in Albuquerque (N. Mex.) will underwrite the cost of Rick's trip to Washington where he will be the National Chamber's guest.



*Plan NOW to attend the*  
**forty-eighth**

**ANNUAL MEETING**

**MAY 1 • 2 • 3 • 4, 1960**

SURVEY DOCUMENTS CHAMBER SUPPORT FOR SCHOOLS

SURVEY OF CHAMBER ACTION ON SCHOOL ISSUES—School Years 1957-58, 1958-59

Type of Issue		When This Proposed?		Did Chamber Support?			Did Proposal Pass?	
		Yes	No	Yes	No	Neutral	Yes	No
1. Operating Revenues (State of Action)	Higher Tax Rates	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	New Tax Sources	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Capital Outlay (State of Action)	Bond Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Pay-as-you-go	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. School District (State of Action)	Reorganization	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Consolidation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Higher Teacher Salaries (State of Action)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Other (State of Action)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Signature

Name and Title

Organization

City and State

Date

Members of chambers of commerce have been leading vigorous campaigns for more and better schools. The extent and wide variety of their support can be seen from the tabulation of the Education Department's "Survey of Chamber Action on School Issues" for the years 1957-58 and 1958-59.

In January chamber executives and education committee chairmen were asked to complete and return the survey card shown on the left. Returns were received from 564 chamber executives and 123 education committee chairmen in 663 communities representing all 50 states.

The Table below the survey card shows what school issues the 663 communities and their chambers of commerce have supported.

The correlation between the passage of proposals and chamber support indicates that business leadership is an important factor in the maintenance of good schools.

Tabulation of the 663 Survey Returns

Type of Issue	Community Proposals	Chamber Support			Proposals Passed*
		Yes	No	Neutral	
Higher School Tax Rates	354	253	15	86	302
New Tax Sources	51	36	5	10	35
School Bonds	469	386	4	79	401
Pay-As-You-Go Financing	90	77	1	12	76
School District Reorganization	104	80	2	22	66
School District Consolidation	123	95	1	27	87
Higher Teacher Salaries	316	198	5	113	264
Other Types	66	59	3	4	41

\*Some proposals for each type of issue are pending. When voters act on these pending proposals, figures for proposals passed may be larger.

During the two-year period:

Thirty-eight communities proposed higher tax rates two or more times; three proposed them three times, and Bozeman (Mont.), four times. Of these 81 proposals, local chambers supported 65, were neutral on 13, and opposed three.

Thirty-six communities proposed two or more school bond issues and six proposed three bond issues. North Tarrytown (N. Y.) voted on four issues and passed three of them. The Tarrytown Chamber supported the proposals that passed and opposed the one that failed. Of these 80 proposals, local chambers supported 63 and were neutral on 17.

Nine communities proposed "pay-as-you-go" financing two or more times; Apalachicola (Fla.) approved this issue three times; Bozeman (Mont.) proposed it four times (all four with Chamber sup-

port), and three proposals passed. Of these 22 proposals, local chambers supported 18 and were neutral on 4.

Rochester (Minn.) voted twice to reorganize its school district, and the Chamber supported both proposals.

Forest City (N. C.) voted twice to consolidate its school district. One proposal passed and one is pending. The Chamber supported both proposals.

Thirty-six communities proposed raises for teachers' salaries two or more times. Six communities proposed them three times: Irvington (N. J.), Mattoon (Ill.), Elyria (Ohio), Providence (R. I.), Quincy (Wash.), and Seattle (Wash.). Of the three-time proposals, all passed but one (in Seattle). Of the entire 78 proposals, local chambers supported 55 and were neutral on 23.

ELEMENTARY AND SECONDARY SCHOOL BONDS—1959  
By State

State	Amount (000)	Number of Issues	State	Amount (000)	Number of Issues
Alabama .....	\$ 7,610	27	North Carolina .....	\$ 22,891	27
Alaska .....	4,250	3	North Dakota .....	3,777	12
Arizona .....	15,247	46	New Hampshire .....	7,519	17
Arkansas .....	4,177	8	New Jersey .....	67,054	85
California .....	289,558	421	New Mexico .....	7,246	13
Colorado .....	14,787	13	New York .....	204,967	121
Connecticut .....	38,922	39	Ohio .....	101,076	151
Delaware .....	18,460	7	Oklahoma .....	16,506	91
Florida .....	31,502	17	Oregon .....	16,305	58
Georgia .....	21,218	9	Pennsylvania .....	94,728	128
Hawaii .....	3,400	1	Rhode Island .....	7,055	8
Idaho .....	3,472	10	South Carolina .....	15,910	10
Illinois .....	86,532	156	South Dakota .....	4,031	19
Indiana .....	37,648	94	Tennessee .....	34,600	22
Iowa .....	28,439	70	Texas .....	98,757	173
Kansas .....	18,278	33	Utah .....	11,622	9
Kentucky .....	11,944	35	Vermont .....	2,487	8
Louisiana .....	38,673	34	Virginia .....	22,625	9
Maine .....	2,850	7	Washington .....	40,860	80
Maryland .....	45,705	16	West Virginia .....	27,796	6
Massachusetts .....	65,606	80	Wisconsin .....	37,799	48
Michigan .....	131,176	168	Wyoming .....	6,220	11
Minnesota .....	54,975	100			
Mississippi .....	48,108	31	Totals .....	\$1,918,069	2,616
Missouri .....	27,635	44			
Montana .....	6,269	19	District of Columbia .....	0	0
Nebraska .....	9,017	21	Puerto Rico .....	0	0
Nevada .....	780	2			
			Grand Totals .....	\$1,918,069	2,616

Reprinted from IBA Statistical Bulletin, No. 14, March, 1960, published by the Investment Bankers Association of America.

Elementary and secondary school bond sales in 1959 totaled about \$1.9 billion, roughly \$400 million less than school bond sales in 1958.

The Investment Bankers Association of America pointed out that the decline in school bond sales may reflect the fact that the "school population has been growing at a declining rate since 1955" (see Table below).

GROWTH IN THE PUBLIC SCHOOL POPULATION, 1947-48

School Year Ending	Public Elementary and Secondary School Enrollments (thousands)	Increments for Two-Year Periods	
		Number of Students (thousands)	Percentage Increases
1947 .....	23,639	---	--
1949 .....	24,477	818	3.5
1951 .....	25,706	1,229	5.0
1953 .....	27,367	1,661	7.0
1955 .....	30,163	2,656	9.7
1957 .....	32,339	2,176	7.2
1959 .....	34,620	2,281	7.1
1961 (est.) .....	37,196	2,576	7.4
1963 (est.) .....	39,187	1,991	5.4
1965 (est.) .....	41,484	2,297	5.9

Source: U. S. Office of Education

School Bonds Account for 50 %  
of All Bonds Approved  
by Voters in 1959

Elementary and secondary school bond authorizations approved by voters in 1959 "accounted for almost 50% of the year's total of bond approvals." These figures were released recently by the Investment Bankers Association of America.

If New York City's \$500 million proposal had not been defeated, the dollar value approval ratio for 1959 of 72.4% would have been much higher than the 1958 ratio of 75.2%.

The New York City school bond proposal contained aspects not normally included in school bond elections.

EDUCATION PROGRAMS HELD BY CHAMBERS OF COMMERCE

Business-Education Days		Education-Business Days		Career Guidance
Ann Arbor, Mich.	Jeffersonville, Ind.	Bethlehem, Pa.	San Bernardino, Calif.	Bridgeport, Conn
Cortland, N. Y.	Lynwood, Calif.	Canton, Ohio	Sharon, Pa.	Sioux City, Iowa
Bellingham, Wash.	Northampton, Pa.	Grand Forks, N. D.	Tampa, Fla.	Assistance for Higher Education Tampa, Fla
Bluefield, W. Va.	Pueblo, Colo.	McKeesport, Pa.	Tyler, Tex.	
Hanover, Pa.	Economic Understanding Houston, Tex.	New Kensington, Pa.	Warren, Pa.	
Indianapolis, Ind.		Newark, N. J.	Wichita, Kans	
		Ogden, Utah	Ypsilanti, Mich.	

Election Year Russian Roulette?

In election years, some Congressmen appear to believe that spending programs get them votes. Hence, taxpayers in 1960 have a legislative six-shooter aimed squarely at their pocketbooks loaded with new spending programs.

House leaders, with Senate approval, are "spinning the cylinder" to decide which legislative "shot" will attract votes for them and their Presidential candidate.

In this "cylinder" are proposals for higher minimum wages; grants to depressed areas; housing, education, and health subsidies; and more Social Security.

The House leadership must soon pull the trigger on one of these spending programs if it's true that spending gets votes.

Have you told your Congressman how you feel about this legislative Russian roulette?

National Chamber Will Receive  
Freedoms Foundation Award

Two Chamber of Commerce programs, teacher recognition and political action, won 1959 Freedoms Foundation awards. A distinguished panel of judges selected these programs for their contribution to the preservation of our basic freedoms and the "American Way of Life."

Revised B-E Day Manual Available Soon

The 1960 edition of *How to Plan a Business-Education Day* is at the printers and should be ready for distribution early in May. The new edition will be expanded to include:

- Historical Highlights
- New Illustrations
- New Approaches that Work

The first B-E Day manual was printed in 1948. Since that time more than 40,000 B-E Day manuals have been distributed and 1,070 communities have reported holding 2,871 B-E Days.

REGIONAL SCIENTIFIC MANPOWER  
CONFERENCES ANNOUNCED

Business leaders are invited to participate in regional conferences (listed below) to consider ways to improve utilization of scientific manpower.

These conferences have been arranged by the Office of Civil and Defense Mobilization under the sponsorship of local universities and community organizations.

Date	Place	Sponsor and Official in Charge
May 6	Orono, Maine	University of Maine Dr. Wesley Evans
May 10-11	Garden City, N. Y.	Brooklyn Polytechnic Institute Dean Warren McCabe
May 16-17	Tuscaloosa, Ala.	University of Alabama Dean J. R. Morton
May 23-24	Atlanta, Ga.	Georgia Institute of Technology Dean J. W. Mason

Published each month except July at the Chamber of Commerce of the United States, 1615 H Street, N.W., Washington, D. C.  
Editor, Marion M. Olverson. Subscription rate \$1.00 per year to nonmembers. Each additional subscription sent to the same address, 50¢ per year. Second-class postage paid at Washington 6, D. C.

**News & Cues** for Education Committees  
Chamber of Commerce of the United States  
1615 H Street, N. W. / Washington 6, D. C.

Second-class postage paid  
at Washington, D. C.

**BUSINESS REPLY CARD**  
No Postage Stamp Necessary if Mailed in the United States

FIRST CLASS  
Permit No. 5R  
Washington, D. C.

POSTAGE WILL BE PAID BY

John R. Miles, Manager  
Education Department  
Chamber of Commerce of the U.S.A.  
1615 H Street, N.W.  
Washington 6, D. C.



**SURVEY OF CHAMBER ACTION ON SCHOOL ISSUES—School Years 1957-58, 1958-59**

Type of Issue		Was This Proposed?		Did Chamber Support?			Did Proposal Pass?	
		Yes	No	Yes	No	Neutral	Yes	No
1. Operating Revenue (Date of Action:.....)	Higher Tax Rate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	New Tax Source	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Capital Outlay (Date of Action:.....)	Bond Issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Pay-as-you-go	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. School District (Date of Action:.....)	Reorganization	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Consolidation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Higher Teacher Salaries (Date of Action:.....)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Other:..... (Date of Action:.....)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Remarks: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Date: \_\_\_\_\_

Name and Title: \_\_\_\_\_  
\_\_\_\_\_  
Organization: \_\_\_\_\_  
City and State: \_\_\_\_\_



## SUMMARY OF ACTION REPORTED BY STATE CHAMBERS OF COMMERCE ON SCHOOL LEGISLATION

Alabama believes education is a State function and Federal aid would lead to Federal control. In the last session of the Alabama Legislature, organization supported legislation which set up an Alabama Education Commission to study State's educational situation. Commission's report, on which some Alabama State Chamber of Commerce members served, recommended \$37,300,000 in additional taxes for education. Organization supports: revision of State tax structure to increase revenue for schools; efficient expenditure of school money; increased local contribution to school costs.

Arkansas supported recent increase in State sales tax from 2 percent to 3 percent with understanding that additional revenue would be used to increase teachers' salaries.

California in 1952, actively supported constitutional amendment increasing State aid for school districts from \$120 to \$180 per unit of average daily attendance. In 1957, supported bill to increase aid to \$193.37 per unit. In 1949, was one of two major groups supporting initiation of State aid program for construction. Actively supported voted bond measures for grants and loans to school districts as follows:

1949	-----	\$250, 000, 000
1952	-----	185, 000, 000
1954	-----	100, 000, 000
1956	-----	100, 000, 000
1958	-----	220, 000, 000
Total		855, 000, 000

Colorado in 1957, supported the Weinland plan for a minimum foundation program passed by the general assembly which, among other features, provides a 12-mill county levy to be distributed to school districts on the basis of their share of classroom units in the county. Organization is on record as favoring: (1) a need for expansion of base to support schools; (2) reorganization and elimination of nonoperating and uneconomic school districts. Opposes Federal aid to its schools.

Connecticut has traditionally believed that education is a State and local responsibility. In 1957, supported 2-year legislation recommended by the State fiscal study commission which provides a formula whereby average per pupil allocations are increased by \$21 per child plus extra grants of \$9.50 per pupil to communities which experienced exceptional growth of school populations. The bill comes up for renewal in the current general assembly and the Connecticut State Chamber of Commerce is expected to support it again.

Delaware, in 1957, supported: Establishment of vocational schools in two out of the three State counties; appropriations providing scholarships at the University of Delaware for prospective teachers; funds for remedial and clinical services; financial aid to needy students at the University of Delaware; funds for educating severely retarded and exceptional children; funds for scholarships at Delaware State College (colored); bonding school construction.

Florida has long sponsored educational advancement in the State. Organization was instrumental in forming potent continuing educational council working closely with State department of education for increased budgets totaling \$281 million to include almost \$31 million in building costs for the next biennium. To meet the needs of an estimated 70,000 new pupils each year, strongly supported minimum foundation program for: Increasing teachers' salaries; purchase of education materials; improved instructional methods; added transportation. Initiated program for teaching conversational Spanish in lower schools which is outstandingly successful in Dade and Hillsborough Counties. Retail division sponsors 4-H Clubs and similar agricultural educational projects.

Georgia sponsored STAR (student, teacher achievement, recognition) program; encouraged and assists in direction of Georgia volunteer teacher scholarship program. Opposes Federal aid to schools.

Illinois opposes Federal aid to its schools. Recommends: Increased State tax rates; increased State appropriations for schools; consolidation of inefficient school districts. Supports: Construction loan fund to assist districts at the limit of their bonding power and continuation of State scholarship pro-

grams. Proposes legislation providing separate State bond issue for State university building construction and for construction of mental hospitals.

Indiana, in 1948, underwrote a comprehensive study of school financing problems in the State which developed a minimum school foundation program for State aid to local schools which was adopted by the Indiana Legislature in 1949. In 1958, by appointment from the Governor, participated in study commission to reevaluate the earlier program. In 1959, supported enactment of legislation to carry out recommendations of the commission which led to better equalization of State support for public schools. In 1957 and 1959, supported legislation to improve school reorganization and consolidation laws—enacted in 1959. Supports: Legislation establishing a countywide school tax of which proceeds are to be distributed in the counties on a per pupil basis; a promotion campaign to encourage teaching as a career; modification of State teacher licensing requirements to emphasize subject matter preparation leading to better trained teachers of physical sciences; increased appropriations for raising salaries of State university and college instructors. Conducts remarkable information program for and about public school system in the State. Publication entitled "Here Is Your Indiana Government," is used by 300 schools and is recommended by State superintendent of public instruction as a supplementary textbook for high school civics classes. Is on record as unalterably opposed to Federal aid for Indiana schools and as favoring local community responsibility for evaluating abilities and fixing compensation of teachers.

Kansas, in 1957, supported: Legislation recommending appropriation for a permanent plan for financing State aid to high schools; legislation appropriating money for a comprehensive study and evaluation of the State's educational system. In 1958, supported: Full financing of State-aid formulas for elementary and high schools; appropriations for merit increases for State college facilities. Since 1947, organization has been recognized as a "friend of the schools" insofar as State financial proposals are concerned—has consistently argued that the Kansas public school system is constitutionally and legally a State responsibility.

Missouri supports amendment to State constitution increasing bonded debt limitation for local school district construction; amendments to improve Missouri's school foundation program and increase in State taxes to finance it. Recommends: further school reorganization and improved assessment procedures.

Montana supports studies of school curriculums, school methods, the construction of school facilities and school administration to help insure that children shall have the basic education needed under its system of government and that public funds for that purpose shall be wisely and efficiently expended.

New Jersey pledges full support of legislation that will incorporate the educational needs which have been the subject of budgetary recommendations. In 1951, approved \$15 million program for expansion of State teachers colleges. In 1954, approved \$30 million per year expansion in State aid for school operating expenses. In 1956, approved \$136 million per year program of State aid for school construction.

New York, since 1951, has consistently supported every appropriation bill for education in the State legislature. Organization is avid proponent of State and local support of education; is pledged to maintenance of New York's high standard of public and private education by encouraging programs leading to mutual understanding of Nation's manpower development responsibilities by the citizens of the local communities.

Ohio has supported measures in the legislature designed to assist local school districts involving liberalization of debt limitations and relaxation of restrictions on adoption of bond issues and operating levies. Advocated requirement that extra appropriations made to schools be used totally for teachers' salaries. Position has been for tying base support for schools to the community where schools' appeal is strongest; this, avoiding transfer of topheavy financial responsibility to State and Federal Governments where schools would become pawns of politics and politicians.

Pennsylvania is on record for retaining State control and responsibilities for education; favoring increased borrowing capacity and increased millage authority for school construction purposes. Organization also proposes an improved system of real estate assessment and increased millage authority for purpose of helping local school districts meet increased costs. Is endorsing and promoting foundation for independent colleges. Recommends a wide variety

of reorganization proposal designed to point the way toward an improved education system to meet pressing demands of the future.

South Carolina is first statewide organization to favor enactment of 1951 3 percent sales tax law, revenue from which is earmarked for schools. Organization actively supported 1951 appropriation bill which established State educational finance commission which administers program of State aid for school construction, school transportation and reorganization of school districts. Currently promoting: revision of the State constitution and law to permit modernization of school organization and administration at State and local levels; attraction and retention of qualified teachers; adequate staffing of schools and school systems with teaching and nonteaching personnel; provision for quality education appropriate to the needs and ability of the child; qualified appraisal of needs, maintenance and efficient use of school plant facilities; local initiative in sharing financing of schools with the State.

Texas supported legislation: to establish the foundation school program which was passed in 1951; to establish the Texas Education Board in 1951; for television training program for new teachers in 1955; for increased teacher pay in 1952 and 1954; for incentive programs encouraging additional study by teachers; for permanent school funds; for consolidation of school districts in 1951 and 1953; for teacher retirement program in 1949. Appropriations for education in Texas have doubled in the last 10 years. Texas teachers with earned degrees amount to 96 percent of teaching force. Teacher salaries have increased 35 percent in the last 10 years. Pupil-teacher ratio averages 25.8 to 1 for the State.

Virginia is dedicated to advancing opportunities for the improvement of Virginia education. Organization has continually endorsed provision for the required educational facilities in adequately supported public elementary and secondary schools, colleges and universities. Endorses broadening courses in Virginia high schools to provide industrial, commercial, and agricultural training to buttress classroom instruction.

West Virginia has vigorously advocated increased property tax levies for school purposes; supported 1950 constitutional amendment to increase school bond authority by \$79 million; supported 1958 constitutional amendment providing \$75 million in additional bonding authority for school construction in 55 county school districts and providing \$15 million of additional levy authority for current operating expenses. In 1957 and 1958 organization supported the property reappraisal and revaluation program which is expected to provide new school revenues amounting to \$40 million annually.

Wisconsin in 1957, supported increase of State support level for education from 17 to 25 percent. In 1959, organization supported further increase to 27 percent. Advocates: reorganization of school districts for greater efficiencies; increase of accreditation standards for teachers and institution of merit principles for increasing pay of highly qualified instructors. Is committed to oppose Federal financial aid to Wisconsin schools.

#### CLASSROOM SHORTAGE

With regard to the classroom shortage, I realize, certainly, that I must stay within my time limit per your request, but I must just hit a few highpoints that are very important. I will do so and then conclude my remarks.

In the area of the classroom shortage, it is estimated—and we have heard several statements about this—that 600,000 classrooms are going to be needed in the next 10 years. Let's assume that is a fair estimate. At the current rate of 69,600 classrooms being built—projected to be built in 1960–61; 69,400 were built in 1959–60—we would certainly exceed the number of classrooms anticipated as a need over the next 10 years.

And I think that is so, because over the next 10 years we do expect and anticipate a decline in the acceleration of the increase in enrollments.

There are certain other figures which have been quoted. For example, the number of high school students attending less than full-

day sessions. It should not be so, but there are students in this country attending less than full-day sessions. That should be corrected. On the other hand of the 180,000 such high school students, it is interesting to note that one-third of them are in the State of New York.

Now, I tried to find out just why that was so. I don't know. I have only the raw figures. But assuming the distribution of the remainder to be spread over the rest of the country—eliminating the one State of New York—it is not as exciting or let's say a frightening a figure as it might appear on the face of it. Also, the number of pupils in excess of capacity—that is another criteria on the chart, I believe, Senator Morse, that you submitted earlier from the U.S. Office of Education. The number is no larger than it was in 1958.

Well, you say, "Well, that is way too large," and it is. However, if the actual recordings of excess students this year are no greater than a year ago or 10 years ago or if they are less than 10 years ago—we know that in the meantime the criteria for determining what this excess will be has been changed. In other words, the standards have been substantially improved. Then, I think we can recognize even this figure, as important as it is to correct it, represents progress and improvement rather than deterioration and retrogression in this particular area. These are points that I would mention in regard to the classroom shortage.

And then we come to this final question of the State and local capacity.

#### LOCAL CAPACITY TO FINANCE SCHOOL PROGRAMS

This, perhaps, is the most important one of all. With the time I have, I can only cite these facts, without getting into the reasons. Certainly there are instances of communities scattered all over this country that have very real and difficult problems to resolve. There is no question about that.

But the facts are these: In 1955 the NEA, as it did this morning, predicted that we would need to double our school expenditures in the next 10 years. There was the prediction then, that we could not possibly do this at the local level, just as there was here this morning.

What are the facts? That in the first 5 years of this 10-year period, we not only increased expenditures at the rate they said were necessary but we exceeded them. In a 10-year period, on that basis, the rate of increase would be 176 percent, not the 100 percent increase they had estimated would be needed.

This morning the gentleman, in all good conscience, said we are going to have to double them again in the next 10 years. That may well be. The record says that we can do this; at least we have been doing it. It is our conviction we can continue to do it, as needed, as was done in the past.

The Commission on Intergovernmental Relations said in a study that it made just a few years back that it had not been able to find a single State economically unable to support an adequate school system. In many instances some of the citizens or groups of citizens in their partisan views had not adopted what measures they could have adopted, but there wasn't one that couldn't do so if the will of the citizens was there to do it.

So we say that in this respect also, perhaps lack of ability has been somewhat overexaggerated, although recognizing that it is a tremendous problem. It is going to require the most sincere and concentrated efforts of everyone at the local level to meet expanding financial obligations.

We feel that it can be done, and the final point that would lead us to this belief is that this last year represented the highest percentage of the bond adoptions in history. Just this past month, January, saw the largest number of school bonds sold in any month in history—\$305 million worth.

It does not appear to us that this represents the kind of crisis that would require Federal activity in this area.

So, in conclusion, I would simply say in summarizing that the chamber recognizes the urgent importance of improvement of education. It is devoting its full facilities and resources to lending assistance in accomplishing this through its local chambers throughout the country in a survey of school issues in 663 communities last year, the chamber actively supported 1,200, took no issue on about 300, and opposed only some 30 out of some 1,500—and most of them were passed.

More can be done, and we believe it will be done. We believe that the vast majority of our people want to do it themselves, and keep the schools as their own schools, that they can take pride in, believing that here is a job that they have retained to their own capacities and to their own efforts. In our judgment, Senator Morse, we believe this is in the best interest of education.

Thank you.

SENATOR MORSE. Dr. Watson, first I want to apologize to you, because I am going to have to leave the hearing room for a few minutes.

If you will be so kind as to replace me in the Chair, Senator Yarborough, I hope I will be able to get back before the examination of Dr. Watson finishes, but in case I do not I want to say to you, sir, that I appreciate very much, and I thank you for your presentation of the point of view of the chamber to this subcommittee this afternoon.

The fact that I do not agree with the philosophical approach to this problem that you take in your statement does not in any way lessen my respect and regard for the manner in which you presented it.

I now notify this already overworked staff of mine that their research starts. I am sure my colleagues will appreciate the results of the research and I will give my colleagues the benefit of the results. The research project is to prepare what I often assign; namely, a parallel column memorandum setting forth the positions which have been taken issue by issue this afternoon, including an analysis of the statistics that were presented along with opposing points of view on the other side of the column in support of the bill. The result will permit me to place myself in a position so I can see both sides of the issues.

That is my instruction to the staff, and I will see that you get the benefits of the results.

MR. WATSON. I thought you were first going to say, as you said to the pupil group this morning, that you were going to give me an assignment.

Senator MORSE. No. I wouldn't have that right, but I hope this will be an educational process for the chamber, too.

Mr. WATSON. We would be very delighted and pleased to assist in that respect in any way that we can.

Senator MORSE. I thank you very much.

Now that Senator McNamara has arrived, I will put him in the chair for a few minutes. If you will just wait, he will take the chair. I believe in the principle of seniority. I will be right back.

Senator McNAMARA (presiding pro tempore). Are there any questions of the witness? Senator Yarborough?

Senator YARBOROUGH. Dr. Watson, from your familiarity and experience in the field of education, I direct your attention to the fact that over a billion dollars has been spent by the Federal Government in the past 10 years on schools in federally impacted areas. Is it your opinion that this has led to Federal control of the students?

Mr. WATSON. I could not answer unequivocally, Senator Yarborough, because I am not directly and personally familiar with that. But I would judge that it has not led to any insidious influence of government in curriculum or in other areas of that sort. This was an example of the sort of thing that I cited as believing was perfectly appropriate.

Senator YARBOROUGH. Do you know of any studies anywhere that have shown any Federal control or Federal impact on education?

Mr. WATSON. I know of none, no.

Senator YARBOROUGH. Those districts including districts right near, adjacent to the city of Washington.

Mr. WATSON. Yes, I know of none. That doesn't mean there may not be some. I just know of none.

Senator YARBOROUGH. Don't you think that that is a pretty good precedent for alleviation of the fears that you expressed that if we have this aid to the districts, it would be federally controlled?

Mr. WATSON. No, sir. I don't think that that is a direct parallel any more than the matter of vocational education which actually was on a much larger scale than this to which you are referring. There have been elements of control in vocational education. I am sure, to a degree, there must be some element of control of the funds the Federal Government spends in the impacted areas. I am not familiar with what manner they do control expenditure of those funds. However, I think of those as emergency measures for individual areas rather than a plan with a general effect on the educational program as a whole. I would say they have little or no effect whether the Federal Government had controlled them or not on the total pattern of education. But if we extended this sort of thing to the whole area of public education, I sincerely believe that, in time, it could well have just the effect you are talking about.

Senator YARBOROUGH. Actually we had 175 years of history of Federal aid from time to time. We have had Federal aid to education in this country without Federal control, have we not?

Mr. WATSON. Yes. We have had Federal aid in many respects and there are many aspects of Federal aid in appropriate instances that the chamber I represent has approved, has sponsored, as a matter of fact. I think the Federal Government has an important role to play in education. However, I do not believe the role of the Federal Gov-



ernment should be that of, in any major way, financing education for the reasons that I mentioned—general public education.

Senator YARBOROUGH. I am advised, Doctor, that one-fourth of all the children in public schools today go to teachers who receive part of their salary from funds furnished by the Federal Government for the federally impacted areas. Do you have any information whatsoever, any complaints whatsoever, that that one-fourth of the children in public schools who go to school to teachers who are paid in part from Federal funds in the federally impacted area program—

Mr. WATSON. In answer to your question—do I have information of this sort? No. I do not have it with me. I think it might be well if you would like to have this referred and the answer made in writing. I personally do not know the answer to this question. I am surprised. I did not know that that large a percentage—

Senator YARBOROUGH. These are figures that have been given to me by people on the staff who studied it. I didn't have the exact figures before. But I will come to one now where I know these next figures myself.

In your statement you point out that in 1959-60 Americans 25 years of age and older averaged 11 years of education compared with 9.3 years in 1950 and 8.4 years in 1940.

Mr. WATSON. Yes.

Senator YARBOROUGH. Now isn't it a fact that this improvement of the educational level of Americans 25 years of age and over from 1959-60 came as a result of the effect of the GI bills?

Mr. WATSON. I would think that in some measure most certainly affected it. I would say that it was not the sole or perhaps even the principle reason for it.

Senator YARBOROUGH. Under the World War II GI bill, 7,800,000 Americans went to school. And under the Korean conflict GI bill about 2 $\frac{3}{8}$  millions went to school, a total of over 10 million people in that period since 1945. Now don't you think that great impetus has been called the greatest educational impetus in America? Don't you think that has been a major factor in—

Mr. WATSON. I think that has been most significant and constructive. However, a great many of the adults you speak of who participated in education would not even have been included. In fact, it is an even better picture than might be represented by those figures, because certain of the courses authorized under the GI bill could not have been calculated as part of the actual 11 years of formal education we are speaking of. But yes, I think what you say was a very significant and a very helpful thing.

Senator YARBOROUGH. And despite that the chamber of commerce is very bitterly opposing the cold war GI bill pending before the Veterans' Subcommittee of this committee.

Mr. WATSON. I accept your statement but I personally have not participated in those particular discussions, and whether the chamber is violently—was that your word?

Senator YARBOROUGH. I said very bitterly.

Mr. WATSON. Bitterly opposed to the peacetime GI bill, I have a note here that if this—

Senator YARBOROUGH. Cold war GI bill.

Mr. WATSON. Yes. The cold war GI bill. No. They were not opposed to the original GI bill, but if this question is raised—and I



have not prepared myself any testimony in regard to it—the chamber would welcome an opportunity to submit an answer to this question in writing.

Senator YARBOROUGH. Well, I see one you put out. Your association put out a press release this week opposing the GI bill and in that press release the chamber said, "Peacetime servicemen don't fight." Let me ask you about that plane shot down in the Arctic Ocean where those servicemen were shooting back. Do you think they weren't fighting, just popping their bubble gum?

Mr. WATSON. I certainly don't think they were just passing the time of day. I am not prepared really to comment on that statement that they don't fight. I don't think that is the issue. Personally I don't think that is the issue at all.

Senator YARBOROUGH. You referred to my description of "bitterly." I think we might talk about our cold war GI's, that they are really pretty bitter about that when someone says these fellows don't fight.

Mr. WATSON. Senator Yarbrough, if I may—and you asked me this question—the chamber and Mr. Bielski here says they have substantial information on this very question which they will be glad to submit to you. From my own personal view I would say—I am not representing the chamber in this as such—I would be opposed to the further extension of GI provisions in time of peace.

Senator YARBOROUGH. Well, I don't want to change this hearing on this bill. We have another subcommittee before which we will invite you to appear to testify on the cold war GI bill. I merely point out that there are over 10 million adult Americans who have been trained in the past 15 years under the two previous GI bills, partly in college, partly in high school, partly in technical institutions, and some in on-the-job training.

I point that out, that that level of education achievement has been raised markedly in the past 15 years with this impetus of billions of dollars that the Federal Government put in this GI training, that educators credit it with giving us the residuum of engineers and scientists that we now have, and it has been largely responsible for the fact that we have a shortage of only 140,000 student teachers in the country now. I think that the actual figures show it would probably have been double that if it were not for the GI bill.

Mr. WATSON. Yes, and to what extent, Senator, these same youngsters, if there had been no war and crisis—and this was a crisis—would have continued in school we don't know because certainly the increase in grade level was proceeding before this ever came into the picture.

Senator YARBOROUGH. Do you think the expenditure of this money on the GI bill led to Federal control of the educational system?

Mr. WATSON. I don't think that it led to Federal control of the educational system as such, no—in the sense of seriously influencing the pattern. But there is no question that it led to provisions and actions and decisions at the local level that were occasioned by actions of the Federal Government. No question about it.

Senator YARBOROUGH. Well, seeing that the man was going to school and passing and didn't get his money for nothing, you don't call that Federal control of the schools, do you?

Mr. WATSON. No, sir.

Senator YARBOROUGH. Checking to see that he was actually attending and passing?

Mr. WATSON. No. I am not implying that. I do mean there were many things done educationally—types of courses—because those funds were available and probably would not have been offered before.

Now, whether they are good or whether they are bad I am not commenting on. It did affect the type of education that was being offered. Maybe to the good. And this is the type of thing that I said that as an emergency situation, the chamber has not opposed. And in this instance—if it were dropped—I think we could say it had little, if any, permanent effect on education in this country.

But if these things begin—and here is something else now; there are proposals for continuation of NDEA and the GI bill and more and more which could become a major factor in the total financing of education, then I fear it could have very serious influences as far as control is concerned.

Senator YARBOROUGH. I want to concur in the view, Dr. Watson, in what you said about the great sacrifices people have made to improve their educational facilities at local levels. I have watched it out in my State over the years. I have seen the great sacrifices people have made, taxed themselves out of their homes and out of their businesses in counties in my State, 254 counties, 144 the lowest population in the past decade, and just like the distinguished chairman I find myself in a philosophical disagreement with respect to your opinion on it. I just think the concentration of wealth ought to bear a little expense of this educational system.

Mr. WATSON. We feel with concentration of wealth being in the communities, that there is no wealth in the Federal level as such at all.

Senator YARBOROUGH. Well, of course, it consists partly in what we already have built in this country but mainly in the productive capacity of our people, and that is directly related to the brainpower and education of our people. I believe you would agree to that.

Mr. WATSON. Yes, sir.

Senator McNAMARA. Senator Javits, do you have any comments or questions to the witness?

Senator JAVITS. In the first place, I thank you for not only appearing but for the spirited way in which you presented the matter to the subcommittee.

I think the only way we can get anywhere is by adversary proceedings.

I did have one basic question that I would like to get your view on. Now, if you feel that this is not passed on by the chamber or you are not free to address yourself to it, you can just tell us.

You have certain conclusions, as I see it, on the facts and figures. Suppose we come to a different conclusion. Suppose we come to a conclusion that there are areas in the United States where children cannot get a reasonably American primary and secondary school education no matter how, within the bounds of reason, the local citizens tax themselves, and that we have a choice of either aiding them from the top or letting it ride as it is until those communities catch up economically.

Has the chamber taken any position therefore on the fundamental principle that shall the United States, where it is really essential, supplement the educational resources of local communities in order to

give all American children a generally equal educational standard?

Mr. WATSON. I assume you mean would the chamber be in opposition or in favor of Federal Government support if we could locate what would be distressed areas as we did economically distressed areas or flood areas—if we would locate educationally distressed areas and then assist them in some such way.

To my knowledge—Cass?—this has not been made a matter of policy other than in the general area that the first effort should be made to get it done at the State level, with all encouragement to the State to help that community—as more and more of them are now doing.

Senator JAVITS. Well, when you say encouragement from the State, would you favor our contributing any money to the State?

Mr. WATSON. Not in contributing money, no. I am speaking of the things such as encouraging our local chambers and businessmen and everyone else to see by golly that they get on and do their job and don't leave any folks out here without an education.

Senator JAVITS. Would you say to us advisedly that every State in the United States can out of its own resources bring the educational system up to a reasonable pattern with every other State, notwithstanding the resources in particular local subdivisions of that State?

Mr. WATSON. I am not certain, in fact, I am sure I would not say that every State exerting whatever effort it could would be in a position to provide the same resources as some other States. We know there are some differences in the actual wealth of different States.

But we have cited opinions and views supporting the thought that there is no State that could not, if it chose to do so, provide an adequate school system for all of its pupils within that State.

Now, some States have for various reasons not chosen yet to do so. Our interest is to see that they do it. We feel it can be done at the local level without the assistance of the Federal Government.

Senator JAVITS. I think you have answered my question in the first part of your answer. You feel every State can do it if they wanted to. Now, is it fair to say is that proposition a fact upon which the chamber's policy is based?

Mr. WATSON. It is basing its policy, yes, on the assumption that the States can do this. There is an interesting thing in regard to New York State, for example, which is considered one of the wealthiest States. It is going to have the greatest problem relatively much more so than some of the poorer States in meeting its obligations in the future. In fact, you find the greatest number of shortages in the several States that are the wealthier States. Yet, under S. 1021 they are going to contribute and give money to States that perhaps have less per capita income but where the shortages are smaller.

This is a contradiction that needs most careful study before you distribute the wealth on the basis proposed.

Senator JAVITS. Thank you very much.

Senator McNAMARA. I would like to ask you, Dr. Watson, is it the position of the New York Chamber of Commerce that they support the efforts of the educators in the State of New York to get further aid to education in New York State?

Mr. WATSON. With pleasure I turn to my associate here now. He has been sitting here. He is the fountain of knowledge and facts.

Do you know specifically with regard to New York State whether the State chamber has supported the bond issues, and so on, for education?

Mr. BIELISKI. The Empire State chamber has supported bond issues and school issues of various nature in the State of New York. If you would like a report on the efforts of the State chamber in New York, I would be delighted to submit it to you, Mr. Chairman.

Senator McNAMARA. There was a colloquy that brought in the State of New York and this is the only reason I followed it up with this question on your State. I would like the information as to what the attitude is of the New York State Chamber of Commerce and the New York City Chamber of Commerce, whatever you call it, in relation to more State and local aid for the schools. We have found in our records much testimony that indicates that the boards of commerce generally, the chambers of commerce generally at all levels of government oppose increased financing of education. I would like to see some evidence in the record if you have it that this is not uniformly true.

Mr. WATSON. That is cited in this written evidence here. You see, in the national chamber, we are representing a large group of independent associations. There are mavericks in the chambers of commerce as there are in any other endeavor.

Senator McNAMARA. But the predominance of the evidence seems to be against you at this time. I think if you can give us some evidence for the record that it is wrong, then we would be glad to consider it.

Mr. WATSON. Yes. We have evidence made on the basis of an actual survey just completed that I think will bear very directly on that.

Senator McNAMARA. Will you see that we get it for the record?

Mr. WATSON. I will be glad to.

Senator McNAMARA. Thank you very much.

(The material referred to may be found on p. 356.)

Senator YARBOROUGH. Dr. Watson, I have a correction to make here. I asked you a question based upon the premise that a fourth of the schoolchildren in America came to schools where part of the teachers' salary was being received from these impacted funds. I was in error. A third of the pupils are attending such schools. I take this from the report of the Health, Education, and Welfare, 1960, 10th Annual Report on Administration of Public Laws 874 and 815, and their records show that the total number of pupils in the 3,821 eligible districts approximated 10.2 millions or one-third of all pupils attending public elementary and secondary schools in the Nation. So that should be one-third of the pupils.

Mr. WATSON. I will just say I am even more amazed.

Senator YARBOROUGH. I will repeat my question. Do you think that they are under Federal control or the Federal Government has taken over control of the students?

Mr. WATSON. On that point, Senator Yarborough, I would not say from what I know of this Government assistance in these impacted areas, that it has in nature or significant fashion affected the education patterns in those areas at this point. However, our whole fear is what all of this can lead to.

Senator YARBOROUGH. I believe, Dr. Watson, you are from Baltimore, Md.?

Mr. WATSON. Yes, sir.

Senator YARBOROUGH. Just look at this table of the money that the States have received, the districts in the States have received for the past 10 years under Public Law 815. I want to congratulate you Marylanders on your efficiency. During this past 10 years my State, with its 9½ million population and many military installations has received for school construction \$53.5 million, and during that period of time Maryland has received \$48.5 million and our sister State of Virginia over \$61 million.

Mr. WATSON. They are very close to these impacted areas you are talking about.

Senator YARBOROUGH. And you in Maryland with \$48.5 million have done exceedingly well in the use of Federal funds for your State under that where we have been able to get only \$53 million for our great area, our large number of pupils and our many military installations in our State. Congratulations on your efficiency.

Mr. WATSON. Speaking specifically in terms of the State of Maryland, and I have discussed this personally with the people in the State and the school people, we believe we can finance education in the State of Maryland.

Senator YARBOROUGH. With pretty liberal Federal help.

Senator McNAMARA. Thank you very much. Your testimony is very helpful indeed.

Senator McNAMARA. The next witness represents the National Association of Manufacturers, Dr. Harley Lutz.

#### STATEMENT OF DR. HARLEY L. LUTZ, GOVERNMENT FINANCE CONSULTANT, NATIONAL ASSOCIATION OF MANUFACTURERS

Senator McNAMARA. Since the reporter has a copy of your statement, would you care to summarize it or do you want to—I will let you proceed in your own manner.

Dr. LUTZ. Mr. Chairman, in view of the hour I shall omit parts of this with the understanding that the full statement will be incorporated in the record.

Senator McNAMARA. It will be so ordered at this point, without objection.

(The prepared statement of Dr. Harley L. Lutz follows:)

#### PREPARED STATEMENT OF HARLEY L. LUTZ ON BEHALF OF THE NATIONAL ASSOCIATION OF MANUFACTURERS

My name is Harley L. Lutz. Since retirement from teaching at Princeton I have been government finance consultant to the National Association of Manufacturers, in whose behalf this appearance is made. The NAM is a voluntary membership corporation made up of about 19,000 business concerns of all types and sizes throughout the United States. More than 80 percent of our membership are small business by any standard. In fact, 28 percent of the membership employ 50 or fewer persons, 46.5 percent employ 100 or less, and 83 percent have 500 or fewer employees.

The National Association of Manufacturers has always been a strong believer in, and supporter of, education. Every year it awards a number of scholarships to students selected on a competitive basis from different parts of the country. The policy position on increasing the effectiveness of education, last revised and approved by the board of directors on June 14, 1957, is in part as follows:

"Our continued progress in the American way of life depends very greatly on the products of our educational system. Industry has a vital interest, therefore, in seeing that this system—from the kindergarten to the postgraduate level—is strengthened and supported. Our country can ill afford to waste the intellectual capacities of its young men and women \* \* \*

"Sound progress toward any significant solutions for the entire problem demands wholehearted cooperation between industry, large and small alike, and our educational institutions, both publicly and privately supported."

My statement is submitted in opposition to S. 1021 which contains provisions to carry out the recommendations of President Kennedy's message to the Congress on February 20, 1961. The grounds for opposition are these:

1. Public education is not a Federal responsibility. The sphere of Federal services and functions should be limited to those matters which can be handled only by the National Government.

2. There is no "crisis" in education, present or impending, that would justify assumption by the Federal Government of responsibility for a service completely outside the area of its truly national tasks:

3. The Federal Government is in a precarious financial situation, as evidenced by the balance of payments problem, the impending budget deficit which threatens further the domestic and international integrity of the dollar, the enormous public debt, and the crushing Federal tax rates. These factors point to the conclusion that the Federal Government should be retrenching, rather than extending, its financial commitments. On the other hand, the States and their local units are, comparatively, in much better financial condition than the Federal Government. The most significant contribution that the Federal Government can make at this time toward realization of a higher rate of economic growth, and hence toward greater capacity for adequate school and college financing without Federal participation, would be prompt inauguration of fundamental tax rate reform.

4. Federal support inevitably leads to Federal control and this control will distort and devitalize the educative process.

5. Federal money cannot buy excellence in learning.

My discussion will elaborate these points.

#### 1. PUBLIC EDUCATION IS NOT A FEDERAL RESPONSIBILITY

The issue of the distribution of responsibilities between the Federal and State Governments has been discussed pro and con since the beginning of the Republic. For reasons which need not be detailed here, the scope and cost of Federal activities have expanded steadily, particularly over the past quarter-century. The present situation is described in a recent NAM publication as follows:<sup>1</sup>

"Even without further expansion, the doctrine of centralism has resulted in a Federal Government structure too big for competent management, too powerful for the best relationship between the people and their Government, and too grasping of both resources and responsibilities to permit the fullest flowering and independence of the private economy."

Viewing the area of governmental functions and responsibilities as a whole, the basic line of cleavage is between those tasks which can be performed only by the National Government and all of the other matters which can be dealt with elsewhere. The underlying thesis of NAM's approach to this problem, as set out in its publications and policy positions since 1950, is that the Federal responsibilities should be limited to the truly national tasks and that all other matters should be left to the States, their local units, or the private economy.

Disregard of this basic principle has led to such a wide dispersion of the time and energy of Federal officials—the Executive, the Cabinet and the Congress—that the most efficient discharge of those duties and functions which only the Federal Government can perform has not been attained. How can it be otherwise when we consider the time that the Federal officials must devote to relatively small matters—with all the maneuvering, political negotiating, and reconciliation of divergent views which are involved in each. How can there be firm and consistent policy in the two major areas which only the central government can handle—defense and foreign affairs—when the President and his advisers must scatter their attention over a thousand and one other issues, ranging from tobacco and wheat planting to juvenile delin-

<sup>1</sup> "The 'Primrose Path' of Centralism," 1960, p. 8. For earlier documentation, cf. "Bring Government Back Home," 1950, and "Main Street Versus Washington, D.C.," 1957.



quency, from college curricula to waste treatment works, from below-cost housing rentals to free food stamps? The talents and capacities for competent national leadership are available. But they must be conserved for that purpose and not frittered away on so many matters that are not genuine Federal business.

Public education, at any and all levels, obviously does not come into the category of a truly national task. It is, and has always been, primarily a local responsibility. Whether the formal part of education be done in private or public schools and colleges, the American tradition has always been for local, or a combination of local-State and private responsibility in management and financing.

The advocates of Federal support of public education have sought to rely on various Federal actions, back to the Ordinance of 1785, to confirm a Federal obligation in this field. However, a review of the record shows that neither any separate action nor the entire collection of them together was motivated by a primary concern with public education as such. There were always other objectives for the realization of which education was utilized as a medium.

For example, the Ordinance of 1785 established the rectangular survey and set aside one section in each township for the support of common schools. During the first hundred years after 1785 land was the Nation's most abundant resource and the promotion of western settlement was a high priority objective. The school land grants were made as an inducement to settlers, who would be more willing to go west and take up land if educational facilities were in prospect, to the extent that such were assured by the grants. The land grant colleges established by the Morrill Act of 1862 were required to provide certain subjects as a condition of the grants, chief among which was instruction and training in agriculture. Again, the principal objective was the improvement of farming as the main source of livelihood for the western settlers. A larger area of western lands was given to the transcontinental railroads than to the schools and colleges. In this case also, the purpose was the promotion of western settlement and national unity, not acquisition of title to railroad property.

In addition to the land grants which utilized the mechanism of education to further other objectives, the Government has made substantial payments to colleges and universities under research contracts; it has maintained professional schools to train Army, Navy, Air Force, and Coast Guard personnel; and it has defrayed the cost of schools in federally affected areas. None of these contacts with educational institutions or with the public schools can be regarded as a precedent for a general across-the-board obligation to support public education. There has been, as yet, no broad general Federal grant for public education, and there is no present need to shift the responsibility for financing and managing our system of public education from State-local to Federal jurisdiction.

## 2. NO CRISIS IN EDUCATION

For the past 10 years or more the advocates of Federal support of public education have been predicting disaster unless their solution were adopted. The Hovde task force report, and the President's recent message to the Congress rehashed the old arguments—teacher supply and salaries; classroom shortage; State and local incapacity, and so on. The record has consistently refuted these forecasts as I shall presently demonstrate by samplings of available data. Teacher supply has increased, salaries have been raised, classrooms have been built. The American public school and college system has not collapsed. These results have been achieved without Federal aid. The principal result of the college housing loan program, which was opposed by the Hoover Commission at the outset, has been to supply below-cost loan funds to "large public institutions which had previously relied on other sources" (budget for 1958, p. 287).

*Teacher supply and salaries.*—Some pertinent data pertaining to the number of teachers and their salary situation are presented herewith:

(a) Pupil enrollment increased 1950-51 to 1960-61 by 44.4 percent, but the number of teachers rose in the same time by 51.9 percent. This made possible some reduction of the average pupil-teacher ratio.

(b) The average annual salary of the instructional staff in the public schools increased from \$3,126 in 1950-51 to \$5,389 in 1960-61, an increase of 72.4 percent. The average salary of classroom teachers rose in the same period from \$3,082 to \$5,150, an increase of 70 percent. From 1950 to 1960, average gross



weekly earnings in manufacturing went up from \$59.33 to \$90.91, an increase of 53.2 percent.<sup>3</sup> It must be remembered that teacher pay is for approximately a 10-month period, while wages and salaries in industries are usually based on 49 or 50 weeks of actual work. On a comparable annual basis, teacher pay would make a still more favorable showing.

(c) The upward trend of classroom salaries is further shown by the following:

TABLE 34.—Upward trend in classroom salaries

Year	Percentage of salaries—		
	Below \$3,500	\$3,500 to \$4,499	\$4,500 and over
1952-53.....	62.0	25	13.0
1960-61.....	9.6	27	62.3

Sources: National Educational Association, "Research Report, 1960-R15," December, 1960; Economic Report of the President, January, 1961, table C-25.

It should be noted, further, that there are substantial differences in all income levels in different sections and that teacher salaries must be viewed in relationship to other incomes. There are also material differences in living standards and their costs. The Office of Education released a study on January 19, 1961, in which it is stated that an average salary 50 percent higher in purchasing power than that prevailing in 1958-59 would be required by 1963-64. Salary increases will no doubt be made in the future as in the past, but they must be in harmony with the general movement of incomes in particular sections. To single out teachers for an arbitrary 50-percent increase over 5 years regardless of the local income pattern would disrupt the economic stability of many communities. It would augment wage-push inflation. This distortion would retard, not advance, the cause of education.

*Classroom construction.*—The statistics relating to classroom shortage and need that have been issued by the Office of Education over the past 6 to 8 years have been so erratic as to undermine seriously the confidence that data compiled by an official agency should receive. Freeman has brought together a series of estimates made at different times which have ranged from a shortage of 600,000 rooms down to 132,400 rooms. In a 1959 report on "Enrollment, Teachers, and Schoolhousing," the Office of Education noted that its data on classroom shortage and needs should be used with caution because of varying State standards of "normal" class size and "unsatisfactory" facilities. We are thus put on notice not to take too seriously the latest estimate. It is not surprising that President Eisenhower recommended in his last budget message an increased appropriation to improve the quality of educational statistics (p. M71).

Since the end of World War II between 600,000 and 700,000 classrooms have been built. The number constructed in the 5 years 1956-60 was 336,800. The generally accepted projection of classroom needs through the 1960's is 600,000, or an annual average of some 60,000 new classrooms. This figure was used in the President's message. The average annual construction of the past 5 years, 1956-60, was 67,360. There is no evidence from the record to support the assumption that new school construction will abruptly decline so far below the level of the earlier performance as to indicate State-local inability to meet the need.

The familiar technique of "government by crisis" is in operation here, with respect both to public school and college construction. A 10-year cumulation of classroom need in one case and of college enrollment in the other is cited to imply that massive Federal action is required immediately in both areas. Actually, State and local school authorities will have 10 years to provide the needed classrooms. Likewise, the colleges and universities will have 10 years in which to get ready for the enrollment estimated by 1970.

Meantime, various factors warrant caution, especially with regard to school construction. The migration of population from central cities to suburbs, the development of new urban communities adjacent to large industrial plants, and the continual shift of people from one State to another will produce shortages of all sorts of municipal facilities in some places and surpluses in other places. These changing conditions, which are not new in our national experience, will

<sup>3</sup> Cf. the comparison of average annual earnings in major industries and annual salaries of public school teachers, in R. Freeman, "School Needs in the Decade Ahead," 1958, p. 133.

continue indefinitely. The requirements, not only for schools but for streets, sewers, city halls, police and fire stations, and many other things, will be never-ending and ever-changing. None of them can be permanently met by Federal grants. They can and must be dealt with by the people themselves out of the resources which the growth of new communities will generate. The most demoralizing thing that could possibly happen would be misguided Federal intervention with grants, or offers of grants, to carry any part of this load.

The anticipated shortage of college classrooms and other plant facilities could be substantially reduced by a more complete utilization of existing equipment. The two-semester college term, usually about 9 months, means that an expensive educational plant is idle for one-fourth of each year. This traditional "college year" is giving way slowly to the pressure of need, and it should be generally abandoned before extensive public appropriations or lavish private gifts are sought to provide additional physical equipment. In a recent address the chancellor of the University of Pittsburgh said, in describing the 3-term calendar of that university:<sup>3</sup>

"An authoritative national survey indicates that a conservative projection of capital plant needs for the country as a whole, assuming that the old academic calendar is used by all institutions, would be more than \$10 billion for the next decade. While no one can be sure, a reasonably conservative calculation indicates that if all institutions of higher learning in the Commonwealth of Pennsylvania were to adopt a year-round academic calendar, the three-quarters of a billion estimated for plant needs under the old calendar could be cut to less than a half-billion. Similarly, if all institutions in the Nation were to adopt the year-round calendar, the bill for additional physical plant over the decade could be cut from \$10 billion to about \$6 billion."

### 3. STATE AND LOCAL FISCAL CAPACITY

The claim of State-local fiscal incapacity has been overworked to promote the expansion of Federal services and the rise of Federal expenditures. Its lasting power and its hold on public policy are traceable to the illusion that Federal money is "free" money; to the belief that the Federal money received as grants-in-aid is provided by taxes paid by some one else, or by inflationary borrowing that will burden everyone but the recipients. How much more straightforward and accurate it would be if the Congress were to attach to every grant-in-aid appropriation a proviso which said to the people—"We are not really giving you anything. All that this bill does is to hand back to you some of your own money. If you were wise you would vote to keep this money at home and do the job yourselves." However, Federal grants, for whatever purpose, permit State and local officials to avoid the disagreeable task of putting squarely to their constituents the cost of public services and the obligation to pay for them. For such officials, Federal money is free money.

Candid consideration of the facts would dispel the erroneous assumption of State and local fiscal incapacity. The aggregate wealth and income of the citizens of the several States is the same as the aggregate wealth and income of the citizens of the United States. This aggregate must support all government. The States have as broad taxing powers as the United States, except for the duties on imports. In fact, the States and local units have, in the property tax, a fiscal resource not practically available to the United States under the direct tax clause. With the steady growth of construction in all sections—residential, business, public utility, and other—the base of the property tax will rise over the next decade by many billions.

Further, the States and their local units are now in much better relative financial condition than the Federal Government, and are actually better able to carry the cost of our future public educational needs. State and local debt amounts to some \$60 billion, of which at least \$17 billion was issued for school construction. The Federal debt is around \$290 billion and there is no assurance that it can be held to this level. The spending programs which are being laid before the Congress will, if enacted, lead to substantial deficits. This evidence of lack of fiscal discipline is hardly calculated to assure foreign holders of dollar balances against further dollar depreciation. State and local tax rates are moderate, as compared with the punitive growth-restricting Federal tax rates. States provide only the kinds of public services which are deemed to be necessary

<sup>3</sup> Before the NAM Congress of Industry, December 1960.

and genuinely beneficial to the people and avoid the benevolent paternalism that has motivated the widening Federal excursions into all manner of spending on the assumption that every matter of national interest involves a Federal obligation to spend money.

Many of these things have been done in the belief that the spending will promote economic growth. Experience has demonstrated that the key to prosperity and growth is not more Government spending but more capital formation. The most potent action which could now be taken to attain a higher level of economic growth, with greater capacity for the support not only of education but all other essential Government operations, would be to reform the enterprise-crippling, job-destroying Federal tax rate structure.

The restrictive provisions in State constitutions and statutes which impede the fullest use of available State and local fiscal resources can be revised. They are not immutable. The prospect of Federal grants for education or any other purpose which the States and their local units should be handling will delay coming to grips with the revision problem.

#### 4. FEDERAL SUPPORT MEANS FEDERAL CONTROL

Federal support of education means a transfer of responsibility from the home to a bureaucracy; from Main Street to Washington. It means Federal rather than local control, a central regimentation that will eventually extend to curriculum content. Here, for example, is what President Roosevelt's Advisory Committee on Education said, in 1938, about Federal control of vocational education:

"Much of the very unwise existing Federal control over vocational education results from the fact that Federal officials have assumed the duty of determining in detail what types of education shall be considered vocational."

In other words, the Federal officials who handled the money were assuming the right to determine curriculum content.

A staff study for the Advisory Committee of 1938 outlined the pattern of developing Federal control in these words:

"Tentative suggestions have ultimately become rules, and rules have been given the effect of the organic act itself. The specificity of details required in State plans has increased. The staff of Federal supervisors has expanded. There has been developed in the States the habit of looking more and more to the Federal officials for guidance and direction in the development of State programs."

If unwise Federal intervention could not be kept out of a \$40 million program of grants for vocational education, how can we expect, or assume, that such intervention can be prevented when billions are involved?

The plain fact is that Federal control and supervision of the educational grants will be both proper and necessary, the most strenuous disclaimers to the contrary notwithstanding. The Congress and the executive authorities would be guilty of gross neglect if they were to fail in providing for inspection and supervision and, where necessary, the right to direct the use of grant funds, or to withhold them, in order to assure proper application of the money and compliance with the Federal intent. As the grants increase in amount and acquire permanence in duration, Federal control will extend more and more deeply into subject matter. The prescriptions of the National Defense Education Act show that there is no hesitation to determining directly the subject matter to be taught. And why not? When the Government is paying the salaries of the public school teachers, it will have a right to say what they shall teach. If it is paying for the school buildings, it will have a right to pass on plans and specifications.

Control will inevitably follow support. If we do not want Federal control of education we must stop this program before it gets started. Make no mistake about it. The advocates of Federal support of education are not interested in short-term programs. They fully expect that this support, once begun, will become permanent. The NDEA was originally limited to 4 years, but plans are already underway to extend it, expand it, and appropriate more money under it. The vicious circle of Federal support of public education, leading to decay of State-local support and demoralization of individual and community responsibility, will broaden the base for a campaign for still larger Federal grants and more complete control.

Since the end result of expanding Federal support will be expanding Federal control, we can get an idea of the final stage by considering the situation in Russia, where there is complete state financing and control and where the educational process is fully integrated with general state policy objectives. A recent

study by the Department of Health, Education, and Welfare contains the following:<sup>4</sup>

"Soviet policy precisely enumerates the function of education in the U.S.S.R.: to serve the needs of the state. The state is preeminent. To its full development every person is expected to contribute his best efforts as his primary obligation. The growth and development of his own individuality are of secondary importance."

##### 5. A HIGHER STANDARD OF EXCELLENCE

A new twist to the argument for Federal support of public education was provided by the Hovde Committee on Education, in the following statement:

"The task force committee concludes that first priority should be given to a vigorous program to lift the schools to a new level of excellence."

This theme was brought into the President's message. The desire for improvement is entirely valid for our educational system but it is by no means confined to that area. It is both the tradition and the genius of our country to criticize what it has and thereby seek to improve on it. We have been doing this in every part of our national economy and our national life from the beginning. Americans want the best; work for it; are not happy until they get it—and often are not happy then, because the very process of achievement has uncovered the possibility of something even better.

The NAM policy on education, cited above, states in part:

"Strong efforts must be made, especially in our elementary and secondary schools, to strengthen the basic educational courses, including mathematics and the sciences, to increase the educational qualifications of those seeking higher education in science and engineering. Likewise, in our colleges and universities, revision of course content and simplification of curriculums should lead to improvement of our educational system."

In and of itself, there can be no quarrel with the goal of a higher standard of educational excellence. But there is no need, either to rely on Federal aid to achieve this higher goal or to apologize for the progress already made without it. In his message the President says:

"Our progress in education over the past generation has been substantial. We are educating a greater proportion of our youth to a higher degree of competency than any other country on earth."

The first sputnik caused many people to forget these facts about our educational progress. They began to downgrade American education and to extoll the Russian system. The fantastic achievements of American inventors and scientists were disregarded in an outbreak of charges that we had been neglecting science in favor of tailfins. Gen. J. B. Medaris, in a book recently published, has asserted that an American satellite could have been launched a year before sputnik if the "go-ahead" had been given.<sup>5</sup> The extent and significance of our discoveries and additions to scientific knowledge through space explorations are unsurpassed.

The disturbing, and I may even add the dangerous, aspect of the Hovde committee proposal is in its implications of greater Federal control. In their local communities the people are slowly but steadily advancing the level of educational quality. As the President has said: "We are educating a greater proportion of our youth to a higher degree of competency than any other country on earth." Without doubt, the people have their sights set on still better achievements. Parents know that the demands of the new age will be more exacting, that the competitive pressures will be more intense, and that the rewards of excellence will be greater. They do not need to be told these facts of life.

But the Hovde committee proposes to lift the schools to a higher standard. This obviously means a federally determined standard of excellence, a national educational program to be made effective by Federal financing, Federal prescription of curriculum content, and Federal regimentation of teaching, testing, and guidance procedures.

This, I submit, is exactly the wrong way to get the results which, we can all agree, are desirable. Improvement of educational quality is a matter of growth from below, not a derrick operation from above. Parents must want better schooling, their children must want it, and the community must want it. No one, not even the Federal Government, can make us a gift of a better educational product. This must be wanted, worked for, and paid for, at home. If

<sup>4</sup> U.S. Department of Health, Education, and Welfare, "Education in the U.S.S.R., 1957."

<sup>5</sup> J. B. Medaris, "Countdown for Decision," 1960, pp. vii, 109, 120.

we value continued advance toward a higher level of educational excellence we dare not cut these taproots of growth, we must not demoralize local concern and effort by undermining the very real sense of personal and community responsibility which has brought us, as the President has said, to the very forefront of educational achievement among the nations of the world.

#### CONCLUSION

A review of the shopworn arguments for massive Federal aid to education reveals that they are weaker than ever in view of the steady advance that has been, and is being, made without Federal assistance. The President has emphasized that the improvement has been impressive. No shred of evidence has been presented to show that the people are on the verge of defaulting on their desire for still better education or on their determination to have it for their children. On the other hand, there is more reason than ever to fear that the consequence of large-scale Federal support will be a deterioration, not an improvement, of educational quality.

Large and ever-expanding Federal grants will inevitably mean more Federal control. But bureaucratic supervision and direction even with the help of free scholarships cannot substitute for parental and community concern and responsibility. Federal standards cannot substitute for the individual urge to learn and grow in intellectual achievement. Central control carries the threat of transforming education into an instrument of government policy, as in Russia, and the subordination of all other aspects of it to the objectives of the Central Government. With local control of education, which means local financing, schooling at all levels will be shaped for the development of the individual's capacity and personality, for the promotion of good citizenship, and for the enrichment of the national culture.

Dr. Lutz. Thank you. I should like to say at the outset, Mr. Chairman, that the NAM yields to nobody, not only the U.S. Chamber of Commerce, in its concern about public education. I should say for the record that my name is Harley L. Lutz. Since retirement from teaching at Princeton I have been government finance consultant to the National Association of Manufacturers, in whose behalf this appearance is made.

In the middle of the first page in support of my earlier statement I may quote in part from a recent declaration of policy on the part of the NAM board of directors. I will not read that but I will call it to your attention as indicative.

My statement is submitted in opposition to S. 1021, or certainly to the principles embodied in S. 1021, which carry out provisions, which support the recommendations of President Kennedy's message on February 20. The grounds for opposition are these.

1. Public education is not a Federal responsibility. The sphere of Federal services and functions should be limited to those matters which can be handled only by the National Government.

There is no "crisis" in education, present or impending, that would justify assumption by the Federal Government of responsibility for a service completely outside the area of its truly national task;

3. The Federal Government is in a precarious financial situation, as evidenced by the balance of payments problem, the impending budget deficit which threatens further the domestic and international integrity of the dollar, the enormous public debt, and the crushing Federal tax rates. These factors point to the conclusion that the Federal Government should be retrenching, rather than extending, its financial commitments. On the other hand, the States and their local units are, comparatively, in much better financial condition than the Federal Government. The most significant contribution that the Fed-



eral Government can make at this time toward realization of a higher rate of economic growth, and hence toward greater capacity for adequate school and college financing without Federal participation, would be prompt inauguration of fundamental tax rate reform.

4. Federal support inevitably leads to Federal control and this control will distort and devitalize the educative process.

5. Federal money cannot buy excellence in learning.

In my statement I point out, viewing the area of governmental functions and responsibilities as a whole, the basic line of cleavage is between those tasks which can be performed only by the National Government and all of the other matters which can be dealt with elsewhere.

The underlying thesis of NAM's approach to this problem, as set out in its publications and policy positions since 1950, is that the Federal responsibilities should be limited to the truly national tasks and that all other matters should be left to the States, their local units, or the private economy.

Disregard of this basic principle has led to such a wide dispersion of the time and energy of Federal officials—the Executive, the Cabinet, and the Congress—that the most efficient discharge of those duties and functions which only the Federal Government can perform has not been attained. How can it be otherwise when we consider the time that the Federal officials must devote to relatively small matters—with all the maneuvering, political negotiating, and reconciliation of divergent views which are involved in each. How can there be firm and consistent policy in the two major areas which only the Central Government can handle—defense and foreign affairs—when the President and his advisers must scatter their attention over a thousand and one other issues, ranging from tobacco and wheat plantings to juvenile delinquency, from college curricula to waste treatment works, from below-cost housing rentals to free food stamps? The talents and capacities for competent national leadership are available. But they must be conserved for that purpose and not frittered away on so many matters that are not genuine Federal business.

Public education, at any and all levels, obviously does not come into the category of a truly national task. It is, and has always been, primarily a local responsibility. Whether the formal part of education be done in private or public schools and colleges, the American tradition has always been for local, or a combination of local-State and private responsibility in management and financing.

The advocates of Federal support of public education have sought to rely on various Federal actions, back to the Ordinance of 1785, to confirm a Federal obligation in this field. However, a review of the record shows that neither any separate action nor the entire collection of them together was motivated by a primary concern with public education as such. There were always other objectives for the realization of which education was utilized as a medium.

For example, the Ordinance of 1785 established the rectangular survey and set aside one section in each township for the support of common schools. During the first hundred years after 1785 land was the Nation's most abundant resource and the promotion of western settlement was a high priority objective. The school land grants were made as an inducement to settlers, who would be more willing to go west and take up land if educational facilities were in prospect,

to the extent that such were assured by the grants. The land grant colleges established by the Morrill Act of 1862 were required to provide certain subjects as a condition of the grants, chief among which was instruction and training in agriculture. Again, the principal objective was the improvement of farming as the main source of livelihood for the western settlers. A larger area of western lands was given to the transcontinental railroads than to the schools and colleges. In this case also, the purpose was the promotion of western settlement and national unity, not acquisition of title to railroad property.

There is no crisis in education. And I might say, Mr. Chairman, in my testimony and that of Mr. Watson, it happened to agree in so many points, but it is independent thinking arriving at the same conclusions and not in any sense collaboration.

For the past 10 years or more the advocates of Federal support of public education have been predicting disaster unless their solution were adopted. The Hovde task force report, and the President's recent message to the Congress rehashed the old arguments—teacher supply and salaries; classroom shortage; State and local incapacity, and so on. The record has consistently refuted these forecasts as I shall presently demonstrate by samplings of available data, and as Dr. Watson did also.

Teacher supply has increased, salaries have been raised, classrooms have been built. The American public school and college system has not collapsed. These results have been achieved without Federal aid. And there is certain data respecting teacher supply which I can pass over very quickly.

Pupil enrollment increased 1950–51 to 1960–61 by 44.4 percent, but the number of teachers rose in the same time by 51.9 percent. This made possible some reduction of the average pupil-teacher ratio.

The average annual salary of the instructional staff in the public schools increased from \$3,126 in 1950–51 to \$5,389 in 1960–61, an increase of 72.4 percent.

From 1950 to 1960, average gross weekly earnings in manufacturing went up from \$59.33 to \$90.91, an increase of 53.2 percent by comparison.

There are also material differences in living standards and their costs. The Office of Education released a study on January 19, 1961, in which it stated that an average salary 50 percent higher in purchasing power than that prevailing in 1958–59 would be required by 1963–64. Salary increases will no doubt be made in the future as in the past, but they must be in harmony with the general movement of incomes in particular sections. To single out teachers, I might say all teachers, for an arbitrary 50 percent increase over 5 years regardless of the local income pattern would disrupt the economic stability of many communities. It would augment wage-push inflation. This distortion would retard, not advance, the cause of education.

Classroom construction: Since the end of World War II between 600,000 and 700,000 classrooms have been built. The number constructed in the 5 years 1956–60 was 336,800. The generally accepted projection of classroom needs through the 1960's is 600,000, or an annual average of some 60,000 new classrooms. This figure was used in the President's message. The average annual construction of the



past 5 years, 1956-60, was 67,360. There is no evidence from the record to support the assumption that new school construction will abruptly decline so far below the level of the earlier performance as to indicate State-local inability to meet the need.

The familiar technique of "government by crisis" is in operation here, with respect both to public school and college construction. A 10-year cumulation of classroom need in one case and of college enrollment in the other is cited to imply that massive Federal action is required immediately in both areas. Actually, State and local school authorities will have 10 years to provide the needed classrooms. Likewise, the colleges and universities will have 10 years in which to get ready for the enrollment estimated by 1970. They don't have to do it all now.

### 3. STATE AND LOCAL FISCAL CAPACITY

The claim of State-local fiscal incapacity has been overworked to promote the expansion of Federal services and the rise of Federal expenditures. Its lasting power and its hold on public policy are traceable to the illusion that Federal money is "free" money. We heard that doctrine expounded here this morning. To the belief that the Federal money received as grants-in-aid is provided by taxes paid by someone else, or by inflationary borrowing that will burden everyone but the recipients, how much more straight forward and accurate it would be if the Congress were to attach to every grant-in-aid appropriation a proviso which said to the people: "We are not really giving you anything. All that this bill does is to hand back to you some of your own money. If you were wise you would vote to keep this money at home and do the job yourselves."

However, Federal grants, for whatever purpose, permit State and local officials to avoid the disagreeable tasks of putting squarely to their constituents the cost of public services and the obligation to pay for them. For such officials, Federal money is free money.

Candid consideration of the facts would dispel the erroneous assumption of State and local fiscal incapacity. The aggregate wealth and income of the citizens of the several States is the same as the aggregate wealth and income of the citizens of the United States. This aggregate must support all government. The States have as broad taxing powers as the United States, except for the duties on imports. In fact, the States and local units have, in the property tax, a fiscal resource not practically available to the United States under the direct tax clause.

With the steady growth of construction in all sections—residential, business, public utility, and other—the base of the property tax will rise over the next decade by many billions.

A great many of these estimates are presumably based on the fact that we are going to raise so much money in the next few years, the next 10 years, on the present volume of public property that we now have today.

Further, the States and their local units are now in much better relative financial condition than the Federal Government, and are actually better able to carry the cost of our future public educational needs. State and local debt amounts to some \$60 billion, of which at least \$17 billion was issued for school construction. The Fed-

eral debt is around \$290 billion and there is no assurance that it can be held to this level.

Mr. Chairman, the figures that have been used here today to show the relative increases of State, local, and Federal debt all depend upon the year you take for a starting point. If you take the increase of Federal debt since 1932, you get a very different percentage increase than if you do only over the last 10 years.

The spending programs which are being laid before the Congress will, if enacted, lead to substantial deficits. This evidence of lack of fiscal discipline is hardly calculated to assure foreign holders of dollar balances against further dollar depreciation. State and local tax rates are moderate, as compared with the punitive, growth-restricting Federal tax rates.

States provide only the kinds of public services which are deemed to be necessary and genuinely beneficial to the people and avoid the benevolent paternalism that has motivated the widening Federal excursions into all manner of spending on the assumption that every matter of national interest involves a Federal obligation to spend money.

Many of these things have been done in the belief that the spending will promote economic growth. Experience has demonstrated that the key to prosperity and growth is not more Government spending but more capital formation. The most potent action which could now be taken to attain a higher level of economic growth, with greater capacity for the support not only of education but all other essential Government operations, would be to reform the enterprise-crippling, job-destroying Federal tax rate structure.

The restrictive provisions in State constitutions and statutes which impede the fullest use of available State and local fiscal resources can be revised. They are not immutable. The prospect of Federal grants for education or any other purpose which the States and their local units should be handling will delay coming to grips with the revision problem.

#### 4. FEDERAL SUPPORT MEANS FEDERAL CONTROL

Federal support of education means a transfer of responsibility from the home to a bureaucracy; from Main Street to Washington. It means Federal rather than local control, a central regimentation that will eventually extend to curriculum content. Here, for example, is what President Roosevelt's Advisory Committee on Education said, in 1938, about Federal control of vocational education:

Much of the very unwise existing Federal control over vocational education results from the fact that Federal officials have assumed the duty of determining in detail what types of education shall be considered vocational.

A staff study for the Advisory Committee of 1938 outlined the pattern of developing Federal control in these words:

Tentative suggestions have ultimately become rules, and rules have been given the effect of the organic act itself. The specificity of details required in State plans has increased. The staff of Federal supervisors has expanded. There has been developed in the States the habit of looking more and more to the Federal officials for guidance and direction in the development of State programs.

If unwise Federal intervention could not be kept out of a \$40 million program of grants for vocational education, how can we expect, or

assume, that such intervention can be prevented when billions are involved?

The plain fact is that Federal control and supervision of the educational grants will be both proper and necessary, the most strenuous disclaimers to the contrary notwithstanding. The Congress and the executive authorities would be guilty of gross neglect if they were to fail in providing for inspection and supervision and, where necessary, the right to direct the use of grant funds, or to withhold them, in order to assure proper application of the money and compliance with the Federal intent. As the grants increase in amount and acquire permanence in duration, and they will, Federal control will extend more and more deeply into subject matter. The prescriptions of the National Defense Education Act show that there is no hesitation to determining directly the subject matter to be taught. And why not? When the Government is paying the salaries of the public school teachers, it will have a right to say what they shall teach. If it is paying for the school buildings, it will have a right to pass on plans and specifications.

Since the end result of expanding Federal support will be expanding Federal control, we can get an idea of the final stage by considering the situation in Russia, where there is complete state financing and control and where the educational process is fully integrated with general state policy objectives. A recent study by the Department of Health, Education, and Welfare contains the following:<sup>1</sup>

Soviet policy precisely enumerates the function of education in the U.S.S.R.: to serve the needs of the state. The state is preeminent. To its full development every person is expected to contribute his best efforts as his primary obligation. The growth and development of his own individuality are of secondary importance.

#### 5. A HIGHER STANDARD OF EXCELLENCE

A new twist to the argument for Federal support of public education was provided by the Hovde Committee on Education, in the following statement:

The Task Force Committee concludes that first priority should be given to a vigorous program to lift the schools to a new level of excellence.

This theme was brought into the President's message. The desire for improvement is entirely valid for our educational system but it is by no means confined to that area. It is both the tradition and the genius of our country to criticize what it has and thereby seek to improve on it. We have been doing this in every part of our national economy and our national life from the beginning. Americans want the best; work for it; are not happy until they get it—and often are not happy then, because the very process of achievement has uncovered the possibility of something even better.

There can be no quarrel with the goal of a higher standard of educational excellence. But there is no need, either to rely on Federal aid to achieve this higher goal or to apologize for the progress already made without it. In his message the President says:

Our progress in education over the past generation has been substantial. We are educating a greater proportion of our youth to a higher degree of competency than any other country on earth.

<sup>1</sup> U.S. Department of Health, Education, and Welfare, "Education in the U.S.S.R., 1957."

The first sputnik caused many people to forget these facts about our educational progress. They began to downgrade American education and to extoll the Russian system. The fantastic achievements of American inventors and scientists were disregarded in an outbreak of charges that we had been neglecting science in favor of tailfins.

The disturbing, and I may even add the dangerous, aspect of the Hovde committee proposal is in its implications of greater Federal control. In their local communities the people are slowly but steadily advancing the level of educational quality. As the President has said:

We are educating a greater proportion of our youth to a higher degree of competency than any other country on earth.

Without doubt, the people have their sights set on still better achievements.

But the Hovde committee proposes to lift the schools to a higher standard. This obviously means a federally determined standard of excellence, a national educational program to be made effective by Federal financing, Federal prescription of curriculum content, and Federal regimentation of teaching, testing, and guidance procedures.

This, I submit, is exactly the wrong way to get the results which we can all agree, are desirable. Improvement of educational quality is a matter of growth from below, not a derrick operation from above. Parents must want better schooling, their children must want it, and the community must want it. No one, not even the Federal Government, can make us a gift of a better educational product. This must be wanted, worked for, and paid for, at home. If we value continued advance toward a higher level of educational excellence we dare not cut these taproots of growth, we must not demoralize local concern and effort by undermining the very real sense of personal and community responsibility which has brought us, as the President has said, to the very forefront of educational achievement among the nations of the world.

#### CONCLUSION

A review of the shopworn arguments for massive Federal aid to education reveals that they are weaker than ever in view of the steady advance that has been, and is being, made without Federal assistance. The President has emphasized that the improvement has been impressive. No shred of evidence has been presented to show that the people are on the verge of defaulting on their desire for still better education or on their determination to have it for their children. On the other hand, there is more reason than ever to fear that the consequence of large-scale Federal support will be a deterioration, not an improvement, of educational quality.

Large and ever-expanding Federal grants will inevitably mean more Federal control. But bureaucratic supervision and direction even with the help of free scholarships cannot substitute for parental and community concern and responsibility. Federal standards cannot substitute for the individual urge to learn and grow in intellectual achievement. Central control carries the threat of transforming education into an instrument of government policy, as in Russia, and the subordination of all other aspects of it to the objectives of the central government. With local control of education, which means local financing, schooling at all levels will be shaped for the development of

the individual's capacity and personality, for the promotion of good citizenship, and for the enrichment of the national culture.

Senator McNAMARA. Thank you very much for your presentation. We do appreciate the fact that you recognize the lateness of the hour and have limited your presentation to that end. So I will try to be brief in asking you just a couple of questions.

You make reference to a report that indicates that there is a shortage of teachers and the salaries are low, and further reference to classroom shortage. This is the report that you referred to as the Hovde report. Is that it?

Do you agree with the conclusion of this report that we are short approximately 140,000 classrooms in this country?

Dr. LUTZ. I have no basis for agreeing or disagreeing with that. I think that the record of the Office of Education with regard to its estimates over the past few years is such that it could hardly give anyone a great deal of confidence in the figures that they propose.

I have here, for example, a comment, if you will bear with me, with respect to the shortage of classrooms, from Human Events, of March 10, 1961.

The Department of Education requires the States and the localities to include in their shortage figure the total number of "improvised" classrooms, the total number of classrooms in nonschool public buildings and the total number of classrooms in nonpublicly owned buildings. A Department spokesman said, furthermore, the nonpublicly owned buildings include private schools no longer in operation but which have been turned over to the public schools for use. In other words, if the States and localities wish to save construction costs of building new schools by using other satisfactory types of empty buildings and facilities that are available, HEW still lists the classrooms used in these buildings even if they are former private as part of the federally declared classroom shortage.

Senator McNAMARA. Well, it is pretty generally agreed we are short 140,000 classrooms by educators and by all sorts of studies that have been made, and there is an indication that in recent years we have made no progress in this area catching up with our backlog since the war.

Do you agree that there are a great many teachers teaching our children now who are not properly certified under the laws of their States?

Dr. LUTZ. I have understood that there were some 90,000 out of 1,200,000 or 1,300,000 teachers. But I would like to point this out, Senator. The rules of certification are, of course, determined in each State by some State authority or possibly by State legislation, and we do know that the teachers colleges over the last generation or so have exercised a great deal of influence on what shall constitute proper certification.

We also know that the curriculum in a great many of these teachers colleges has been very heavily concentrated on methods of teaching rather than on the subject matter to be taught.

Now, I call your attention to the fact that the President's Advisory Committee on Education for the age of science, which I think was published back in about 1958, referred to that fact, emphasized that these teacher training institutions ought to revamp their curriculum and give a great deal more of attention to subject matter, and they went on to point out that we should not reject the services of a competent scholar just because he didn't happen to have enough educational credits to get a certificate.

Now, how many of the 90,000 that are under, below standard certification today are competent in knowledge of the subject matter but don't happen to have enough credits in educational courses to get a full certificate I wouldn't know, but I suspect a great many of them, and as a matter of fact, I suspect a great many of that 90,000 are better teachers than lots of them that have gone through the mill of getting 80 percent of their 120 credits for graduation in methods of how to teach without any knowledge of the subject matter.

Senator McNAMARA. You think that the—you conclude, then, that the business of certifying teachers is more or less a waste of time?

Dr. LUTZ. No, no.

Senator McNAMARA. That we don't need any such thing?

Dr. LUTZ. No.

Senator McNAMARA. What is your conclusion in this?

Dr. LUTZ. No. I don't conclude that at all, but I do think that the whole area of requirements for competent teaching qualifications needs to be looked at with a pretty careful eye and as the Education Advisory Committee said, get a better balance between knowledge of the subject you are going to teach and a lot of these comparatively useless courses in my opinion on how to teach Spanish if you don't know anything about Spanish.

Senator McNAMARA. Well, our hearings up to now reflect the fact that there are a great many more than 90,000 uncertified teachers. We have information that indicates that 25 percent of the teachers in the District of Columbia, for instance, are in this temporary category. They are employed because the District can't recruit fully qualified teachers.

Dr. LUTZ. Well, that might mean that these just haven't had the opportunity or the inclination to go to a teachers college somewhere and accumulate a lot of credits in methods of teaching. I wouldn't know what the answer is.

Senator McNAMARA. You indicate properly, I think, that all this bill does is hand back to you, meaning the States, some of your own money. I think we agree on that. Then you go on to say that—

If you were wise, you would vote to keep this money at home and do the job yourselves.

I would like to direct this question to you in view of that statement. If this legislation were financed by allowing the States to keep a certain percentage of their Federal taxes without sending it to Washington, keep it there rather than sending it down here and have it come back, would you then favor the legislation?

Dr. LUTZ. Then it would be a kind of legislation to reduce taxes rather than legislation to aid public education, wouldn't it?

Senator McNAMARA. Well, are you not in favor of reducing taxes?

Dr. LUTZ. Oh, yes.

Senator McNAMARA. I thought your association generally was.

Dr. LUTZ. Yes, but you are putting the question to me in a different form.

Senator McNAMARA. You brought this reducing taxes into it. I think you wouldn't want to go on record as being opposed to reducing taxes.

Dr. LUTZ. Oh, no. I think I have said specifically here that the one thing you can do now that will do most to put the country back on the



track and increase the capacity of the citizens and the Government alike is to support public services and reform the tax rates.

Senator McNAMARA. Thank you very much. Your presentation is very helpful to the committee.

Dr. LUTZ. Thank you, sir.

Senator McNAMARA. Our next witness is from the American Federation of Labor-Congress of Industrial Organizations, Mr. Peter T. Schoemann, vice president and chairman of the education committee.

Mr. Schoemann, I think the reporter has been provided with a copy of your statement, and while it isn't so lengthy, we hope you will recognize the limitations of the time of the subcommittee.

We will make your statement part of the record in its entirety at this point, and you may proceed in your own manner.

Mr. SCHOEMANN. Well, I would like to read it, Mr. Chairman.

Senator McNAMARA. Go right ahead.

Will you identify for the record the gentleman who accompanies you?

Mr. SCHOEMANN. He is Andy Biemiller, legislative director of the AFL-CIO.

**STATEMENT OF PETER T. SCHOEMANN, VICE PRESIDENT, AND  
CHAIRMAN OF THE EDUCATION COMMITTEE, AMERICAN FED-  
ERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZA-  
TIONS; ACCOMPANIED BY ANDREW J. BIEMILLER, DIRECTOR,  
DEPARTMENT OF LEGISLATION, AMERICAN FEDERATION OF  
LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS**

Mr. SCHOEMANN. My name is Peter T. Schoemann. I am vice president of the American Federation of Labor and Congress of Industrial Organizations, and I am also the chairman of the Committee on Education of the AFL-CIO. In this capacity I am appearing here today in behalf of that organization.

I might add, Mr. Chairman, that I consider it a distinct honor and a pleasure to be here as the general president of the United Association of the Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry. This subcommittee is being presided over by a member of the united association. I think that is very unique and history in the making.

Senator McNAMARA. Thank you, Mr. President.

Mr. SCHOEMANN. For many years I was also president of the Building and Construction Trades Council of Milwaukee, Wis., and I had the honor and privilege of being elected by the people of that city on several occasions as a member of the board of education.

I am adding these facts on my background and experience to indicate that I have had practical knowledge and training in the urgent problems our school systems have been trying to meet since World War II.

We in the American trade union movement are gratified that the new Congress should consider Federal aid to education as a matter of early concern. We think the importance of the question demands prompt action. We hope the full Congress will follow the committee's example.



The American labor movement has always had a special interest in our public schools. This is due to the long history of support of public education by trade unions. Of all of the contributions to our country by labor unions, none gives us more genuine or justifiable pride than our support of education. Over 130 years ago, before the first public school systems were established, unions were calling and working for the establishment of free equal universal education.

In those early days, the issues and the solutions were essentially local in character, as were most problems of the new Nation. Solutions were usually through local action to meet local needs, but, even then, the responsibility of the States was being recognized. Also, from the time of the Survey Ordinance, back in 1785, it was recognized that the National Government had a proper role to play in assisting and encouraging educational effort.

The partnership of locality, State, and Nation in supporting education has continued. Even though local school problems have become national problems we nevertheless strongly favor local control, local operation, and local policy determinations for public schools. We are gratified that the American community is in nearly complete agreement on this basic premise. This general opinion removes any question of Federal control from serious contention.

The real problem facing America today, it seems to us, is whether the National Government is playing its fair part in support of education. We think it is not; we urge that it should. The trade unions of this country have been urging Federal aid to education for many years. We feel that it is essential.

Trade unionists can, in 1961, restate their union's traditional dedication to the public school idea—the chance for a free education for all. The means of fulfilling the goal have, however, changed. They now require a substantial Federal participation in the effort. We appreciate this opportunity to testify because of the importance of the pending legislation. Thomas Jefferson might have been writing now when, in 1786, he wrote:

\* \* \* the most important bill is that for the diffusion of knowledge among the people.

We are seriously concerned today with the status and the immediate future of public education in the United States. The challenge confronting the public schools is different and critical. Education must prepare us to solve the problems of a new age. Americans of the 1940's and 1950's helped to fight the greatest of wars, establish the United Nations, provide unprecedented aid to less fortunate peoples and fight the Communist world tyranny. These were monumental jobs. Compared to the jobs facing Americans of the 1960's and 1970's, however, these past accomplishments shrink in proportion.

Americans of the next score of years must help the many new independent nations into the family of free nations. We must work with our friends to eliminate starvation, illiteracy, mass disease, religious persecution, racial discrimination. We must control arms under law. We must resist the renewed threats to freedom from the dictatorial governments of the Soviet Union and Communist China. We must advance the space age. We must do these things at home and abroad, on earth, and in space, with the knowledge that we might not succeed, that we have no guarantee of success, but knowing that to fail

is to commit mankind to extinction or to centuries of barbarism and slavery. The issues, then, could not be more grave. The stakes could not be higher.

We will attempt to meet these challenges to our way of life in many ways. Our spiritual commitments, our constitutional institutions, and our humanitarian ideals, are, of course, among the great weapons we take into the struggle. Yet these assets count only if our young people know of them, practice them, hold them dear, adapt and extend them to meet the new problems. Here is the decisive role of education.

The central vehicle for advancing our way of life and rolling back the menaces of totalitarianism, ignorance, and hunger is our educational system. Where does it stand? What is its condition?

#### SCHOOL CONSTRUCTION

Pupils and teachers should have safe, well-ventilated classrooms in buildings designed to provide maximum opportunity for learning. The present situation is a national disgrace.

We in the AFL-CIO think that we can afford good schools. We believe that this marvelously productive economy, if operating near its capacity, can sustain the effort to provide all of our children with first-rate schools. If history's richest society must send its children to study the sciences and humanities in schools built before the turn of the century, then there sure is something out of kilter. If a substantial number of our children must be put on curtailed or half-day sessions to learn the humanities which reflect our fundamental value system, then we have a problem, and 685,000 pupils in 36 States and the District of Columbia do, in fact, go to school on just this basis.

We in the trade unions think that this "affluent society" should provide sufficient classroom space for our young people, yet we had 1,868,000 pupils in excess of classroom capacity when the present school year began. This was an increase of 122,000 over the year before.

The U.S. Office of Education reported that, as of last September, we had 76,000 classrooms which were unsatisfactory, and an additional 66,100 were needed to house the students in excess of the present capacity; in other words, a national shortage of 142,100 classrooms. Thus, an already critical shortage has worsened in the last year because the shortage in the fall of 1959 was 135,200. The problem is not that we fail to build. We built 69,400 new or converted classrooms last year. The fact is that we simply do not build enough.

For some years many have questioned these figures provided by the U.S. Office of Education. For our part, we have wondered if they were not too modest, too cautious to reflect the facts. However, I believe these new figures are better than those provided before. Heretofore, the national totals were based partly on State-level estimates of shortages. These latest figures, showing a shortage greater than before, are based on locally completed questionnaires. They are entitled to most careful consideration.

The problem, of course, is simply a failure to build sufficient new classrooms for the expanding school age population. Our public school enrollment went up 3.2 percent in the past year, an increase of 1.1 million of a total of 36.6 million pupils in the public ele-

mentary and secondary schools. The only answer is more classrooms; the only apparent way to get more classrooms is through substantial Federal financial aid.

#### TEACHERS' SALARIES

It is not certain how many teachers we lack in this country. There are various estimates. One of the more reliable seems to be an estimate by one of our affiliated unions. The American Federation of Teachers has estimated that as of September 1959 we lacked 250,000 public school teachers. But quality is even more important than quantity—in teachers. Whatever the total shortage, and it is plainly huge, one glaring fact stands out as a warning of impending peril: the legal measure of competence, the certification requirements for teaching, are not met by 24,300 high school teachers and 67,200 elementary school teachers. These 91,500 teachers—6.5 percent of our teaching forces—are on substandard certificates. These are issued on an “emergency” basis—to meet an “emergency” that stretches on, year after year.

It might be noted here that we are finding more and more opportunities for the fruitful use of American teachers overseas. It requires little imagination to see the boundless good that the free world would derive from the presence of thousands of dedicated, enlightened U.S. teachers in the newly independent communities of Asia and Africa and in the stirring nations of Latin America. But we cannot properly provide teachers for oversea missions when we lack so many here at home. Both needs must be met; they are twin aspects of the same need, the same shortage; they pinpoint with clarity another reason why this problem cannot be solved by the more than 40,000 local school districts, acting alone, without Federal assistance.

The failure of the law of supply and demand is classic in the case of teachers. Despite the patent need for teachers, local school districts have been unable even with State aid, to provide attractive salaries and conditions. Nevertheless, thousands of teachers who could earn far more in other fields, stay on in education, and thousands of new teachers join their ranks each year, but not enough.

The truth is that our teachers do not earn a full living wage. The U.S. Department of Labor's City Workers' Family Budget, updated to 1959, shows that a worker and spouse with two children require at least \$6,130 per year for a modest but adequate standard of living. Thus the teacher's average annual salary of under \$6,000 (\$4,730 in 1958), leaves him with only a subsistence wage level. He is not meeting the minimum \$118 per week required each week of the year. The way he most often makes ends meet is to spend the summer and holidays working in some routine job instead of using this period to improve his worth as an educator. Under these conditions, we cannot hope to attract an adequate number of top men and women into the teaching profession.

I would point out to the committee that the figures used here on classroom and teacher shortages are current figures, the latest we could find, and are taken mostly from Government sources. They do not involve baseless speculation, or even well-based projections. Any projection, either as to building needs at any level of the educational system, or as to teacher shortages, shows an even grimmer picture than that appearing now. The current figures, however, tell

a story startling enough to demand immediate action. Further delay can be purchased only with the gravest of risks.

#### LEGISLATION

The School Assistance Act of 1961, S. 1021, has the sincere support of the AFL-CIO. We do not like every provision in the bill and we think that even some of the good provisions aim too low and authorize too small an amount. But legislation, like democracy itself, requires compromise. We cannot compromise our children's welfare; we can compromise on how best to achieve it. This bill is one of those measures which the President described in his message on education as "\* \* \* an essential though modest contribution." The School Assistance Act of 1961, introduced by Senator Morse, is a moderate and balanced first step. Although it provides less than one-half of the sums recommended by the President's Task Force on Education, it does get us moving in this area.

Section 103 provides the usual and proper safeguard against any possible attempt at Federal control of education. Section 105 spells out the formula for grants, in which we concur. The total grants of less than \$3 billion over the 3-year period are modest indeed. No State would receive less than \$15 per public school pupil and a State could receive more, based on its "allotment ratio." This formula, recognizing the economic reality that some States do not have the tax resources to do an adequate job, is essential to any equitable program. The evident fact is that a State with a predominately rural economy cannot have the tax resources of a highly populated, industrialized State with rich urban areas of private trade. Yet the pupils of each State are Americans and they are children. Any may be asked to die for our country, and all are asked to live for their fellowman. Our labor pool, our supply of scientific brainpower, our social needs—all are national; none recognize a sovereign stake in ignorance. This is not the "Competing States of America." It is the United States.

It might be argued, of course, that examples can be shown of States which have not done their utmost on their own. Firstly, it can be answered that many more have made a valiant effort—including some of the less wealthy States. In any event, however, we as a people cannot visit the omissions of particular State legislatures or certain school boards on the children. We are proud of our towns and our home States, but we are also proud of being Americans. We should help to solve this national problem on a national basis.

The bill, properly, provides that a State's effort must maintain its relative position in the nationwide scale. This is an important safeguard against a reduced effort.

Those devoted to State-level policy determination respecting education can only be heartened by the alternatives left open to the States in this bill. Where the grants will be first applied within a State and whether they will be used for teacher salaries or construction, are to be determined by State authorities, so as to direct the funds to the areas with the greatest need (sec. 110).

Likewise of special value is provision for aid in State administrative expenses and the 10 percent allocation to help pay for various pilot, demonstration, experimental, evaluative, and program develop-

ment projects of local educational agencies. This section, 109, is most beneficial, leaving full play to local initiative.

We are happy to note, Mr. Chairman, the inclusion of the labor standards safeguards of the Davis-Bacon Act and overtime provisions concerning hours exceeding 8 hours per day or 40 hours per week. These are essential minimum standards.

The language of section 112, however, beginning on line 22, page 16, seems to be inappropriate. To my knowledge, no public school facility is constructed with volunteer labor. We believe this language should be dropped from the bill.

I now come to a section of this bill which we do not entirely agree with.

#### IMPACTED AREAS

The provision for cutting grants to federally impacted areas is unwise. Where there is a sudden and substantial increase in school attendance as the result of some activity of the Federal Government, special help is still required, in our view. The general grants provided elsewhere in this bill would mitigate it is true, the result of such termination but not sufficiently. The result will be a net decrease to most of the federally impacted areas. There would seem to be two reasons for the federally impacted area legislation: (1) the dramatic and sudden rise in school-age population which would admittedly tend to decrease with time; and (2) the fact that a major industry in the community, whether an Armed Forces installation or a research center is not subject to the tax powers of the school district or the State.

The second need would seem to remain as long as the Federal activity does. Accordingly, we are not persuaded of the wisdom of this proposed termination.

The President has indicated a desire to eventually end the impacted area program. We believe this is unsound. The reduction in grants under Public Law 815 and Public Law 874 is also unsound. The wide scope of the programs, affecting about one-third (over 10 million) of all public school pupils, requires great caution when such major cutbacks are proposed.

Given the reservations we have about this bill it is still legislation of great merit. It would provide aid for teachers' salaries, or school construction, or both. It prevents Federal control of education. It provides funds to aid research and development in education and for specialized programs. Most important, it is a first step, a beginning in erecting an educational system meeting the needs of the 1960's. With the two exceptions noted above, the AFL-CIO strongly supports this bill.

#### ECONOMIC EFFECT

Until now we have dwelt on the educational needs in terms of children and in terms of national defense. It is time to note, however, that an immediate economic need would also be met by enactment of the School Assistance Act of 1961. In this era of unparalleled productivity, we have heavy unemployment. Enactment of this legislation would do much to overcome the recession which grips the Nation.

Untold thousands, indeed tens and hundreds of thousands of American workers will find jobs when these billions of dollars are spent for school needs. Directly and indirectly, employment and new trade

would result. Building materials would have to be produced and transported. Schools would be constructed. Printing, publishing, and a score of other school-related industries would be stimulated. A substantial reduction could be made by this legislation alone in the more than 5½ million Americans who are now seeking work.

In conclusion, there is much discussion of the relative wealth produced, effort expended, and attention given to the private as compared to the public sector of our economy. It seems clear that the public sector is too often ignored, and our school systems have suffered greatly thereby. Filter cigarettes, color television, and supercharged automobiles may have some defense; but fair teachers' salaries, modern classrooms, and an excellent educational system need no defense.

America requires a topflight educational system—a commitment to excellence in education—so that we may advance scientifically, adventure into space, and maintain freedom's arsenal against the imperialistic Communist threat. We need the economic stimulation of a Federal aid program to combat this recession's toll of unemployment. We need stronger schools to lead the free world to new plateaus of well-being and knowledge and understanding. Far more, though, than for any of these reasons, we need to build back our school system to help our children to a fuller and more useful life.

Thank you, Mr. Chairman.

Senator MORSE (presiding). Mr. Schoemann, I thank you very much for an excellent statement. This statement will be of great help to the committee.

I do not think the record shows that you are associated with this afternoon, you are accompanied by Mr. Andrew J. Biemiller. I have had Mr. Biemiller before the committee before. Do you care to make a supplementary statement, Mr. Biemiller?

Mr. BIEMILLER. No.

Senator MORSE. I have one instruction to give the staff dealing with the point you make, Mr. Schoemann, where you discuss this federally impacted area problem. I would like to have the staff prepare a memorandum for the subcommittee dealing with the origin of these two federally impacted area bills, with special attention being given to the legislative intent at the time the bills were enacted. I think it is no secret that some in the administration feel that there should be some reduction, the eventual limitation, of these two programs and are of the opinion that these were designed in the beginning only as transition programs.

I am not so sure that the study I am asking for will bear out such findings but my recollection is—and I haven't gone to the books—my recollection is that when these programs were first initiated, in one instance when discussed by Senator Taft, it was not necessarily the intent that the program be only transitory, thereby not permanent in nature.

The Senator from Ohio was very much concerned to see to it that the checks were put in which would require periodic congressional review of these plans in order to guarantee that there would be no basis in fact, for the fear that some were expressing at the time, that this was going to lead to some kind of Federal control of education. The adoption of the plan seemingly on a temporary basis did not carry with it an intent of a temporary program at all. It was a program



which was to last as long as the problem existed. This problem of the federally impacted areas is still with us. I think this memorandum, may I say to Mr. Lee, should bear first, upon what was the intent of Congress when the bills were enacted in the first place, and second, are there any factual changes in the situation which would justify any modification of that intent.

Subject to correction by this memorandum, all I want to put in the record this afternoon is my recollection. My recollection was that this is not just a transitory program, unless the problem proved to be transitory. This was not a program where it was contemplated that at any time the local government would have to proceed to take care of the great influx of schoolchildren brought about as a result of Federal installations which created the federally impacted area.

Of course, there are variations in this program, but in many of these instances the bringing in of Federal installation brought also with it tax problems. Those tax problems bore heavily upon the ability of the area to raise the funds to build the necessary school installations.

I never argue about facts. I try to find out what they are. The purpose of this memorandum is to set the subcommittee straight. Perhaps it will help to set the administration straight, may I say for the benefit of my friends from the Department of Health, Education, and Welfare, as to the congressional intent when this legislation was first passed. I also want to say to my friends from downtown that Mr. Charles Lee has my complete authority and direction to get all of the assistance that you can supply to him in the preparation of this memorandum.

That is a good old teaching technique, you know. If you have got a student who doesn't like a certain subject, that is the one subject you want to assign to him. So in that spirit I will ask you to help Mr. Lee to prepare the memorandum.

(The memorandum referred to follows:)

**STATEMENT REGARDING LEGISLATIVE BACKGROUND OF PUBLIC LAW 815 AND 874 AND EVIDENCE OF CONGRESSIONAL INTENT AS TO PERMANENT OR TEMPORARY NATURE OF THESE PROGRAMS**

Under authorization of the Lanham Act, assistance was provided by the Federal Works Agency for construction, maintenance, and operation of public schools in support of the national defense effort from 1941 through the fiscal year ending June 30, 1946. During the 5-year period from 1941 to 1946, a total of 900 different school districts affected by national defense activities received assistance for current operating expenses and \$101,498,093 was allotted to construct school facilities in districts. Since the basis of this financial assistance was to aid in the prosecution of the war effort, plans were made by the Federal Works Agency to discontinue it immediately after V-J Day. However, because the problem of financing schools in these districts continued to be acute, assistance was continued by the Agency for current expenses of schools for the 1945-46 school year with the expectation that no Federal assistance would be given after that time.

It was anticipated that rapid demobilization of the Armed Forces, discontinuance or curtailment of production for war purposes, and the readjustment to peacetime conditions would eliminate the need for this assistance. This readjustment, however, took place much more slowly than was anticipated; in some cases, it did not occur. Because of the general shortage of family housing, federally owned war-housing projects remained occupied at capacity levels. Many families did not return to their homes but remained in the areas to which they had come for war work or military training. A substantial amount of property acquired by the Federal Government for defense purposes remained in Federal ownership, thus depriving communities of local real-estate taxes.



School officials from the affected communities made these facts known, and the Congress continued this assistance program for maintenance and operation of schools on a restricted basis each year from the 1946-47 school year through the 1949-50 school year.

In connection with authorizing the continuation of Federal assistance for current operating expenses from year to year after 1946, the Congress indicated its intent to restrict the program and to withdraw Federal assistance for this purpose as rapidly as possible. It was, however, becoming increasingly clear to officials in the affected school districts that Federal activities would continue in some school districts and they urged that Federal assistance should be provided on a continuing basis in order to assure that these communities would have adequate school services. In response, the Congress authorized a number of Federal agencies to provide assistance to school districts affected by their activities. These authorizations were not uniform from one agency to another; the assistance provided was not adequate in some cases; there were some duplications between agencies; and there were some problem situations for which no Federal assistance was authorized.

Several bills were introduced in the first session of the 81st Congress to provide additional school facilities in federally affected areas and other bills to provide, on a uniform and permanent basis, for Federal assistance for current operating expenses. H.R. 4115 and S. 1724, administration-sponsored measures were examples of the latter proposals. House Resolution 75, considered and agreed to February 21, 1949, authorized the House Education and Labor Committee to appoint two subcommittees to study the need for such legislation and make recommendations to the full committee early in the second session.

Two subcommittees were appointed pursuant to this resolution and began hearings in Washington, D.C., in October 1949, with interested Federal agencies and school officials in the metropolitan area giving testimony. Subsequently, the subcommittees conducted field investigations in 23 locations in 16 States, receiving testimony from approximately 600 witnesses from 42 States. A voluminous report of those hearings was printed. Beginning early in January and continuing until near the end of June 1950, these two subcommittees and a subcommittee of the Senate Committee on Labor and Public Welfare spent a very substantial amount of time developing the concepts embodied in legislative proposals enacted as Public Law 815 and Public Law 874 in September 1950.

The Committee on Education and Labor, in House Report No. 2287 dated June 20, 1950, reporting out H.R. 7940, which was enacted as Public Law 874, reviewed the conditions the subcommittee had found and concluded that continuing Federal activities were such that Federal assistance would be required by some communities "for a considerable period in the future" if they were to provide normal school services.

The Federal policy was stated in Public Law 874 as follows:

"SECTION 1. In recognition of the responsibility of the United States for the impact which certain Federal activities have on the local educational agencies in the areas in which such activities are carried on, the Congress hereby declares it to be the policy of the United States to provide financial assistance (as set forth in the following sections of this Act) for those local educational agencies upon which the United States has placed financial burdens by reason of the fact that—

"(1) the revenues available to such agencies from local sources have been reduced as the result of the acquisition of real property by the United States; or

"(2) such agencies provide education for children residing on Federal property; or

"(3) such agencies provide education for children whose parents are employed on Federal property; or

"(4) there has been a sudden and substantial increase in school attendance as the result of Federal activities."

As originally enacted Public Law 874 had a life of 4 years and Public Law 815 was to expire in 2 years. The question is sometimes raised why, if Federal policy as enunciated was to provide assistance on a continuing basis, these two laws were originally enacted only for temporary periods? The record shows clearly the reason for this action. In House Report No. 703 issued July 3, 1953, by the Committee on Education and Labor reporting a bill to amend and extend Public Law 874, the committee explained the limitation to 4 years, as follows:

"Public Law 874 provides financial assistance for the maintenance and operation of schools in areas affected by Federal activities. This law was enacted

September 30, 1950, and by its terms would expire June 30, 1954. The Congress so limited the duration of the law because of the then untried character of this new approach to meeting the Federal responsibilities involved, and because of the obvious need for careful reconsideration of its various provisions on the basis of actual experience.

"The purpose of this bill is to extend the provisions of this law for an additional 2 years, that is, until June 30, 1956, and to make various amendments which the committee believes are indicated as a result of its reviews of the law's objectives in the light of present day conditions and the past 3 years' experience with the law's administration."

In justification of its recommendation for continuation of the program beyond the initial authorization, the committee wrote as follows:

"The Congress enacted Public Law 874 in September 1950, after intensive investigation undertaken by this committee for the purpose of defining the nature and extent of the problem and of the Federal responsibility in connection therewith. In general, the provisions written into the law have proved to be both wisely conceived and equitable in application because they insure that Federal funds will be directed to the place of immediate need and that they will be in proportion to the burden placed on the schools by a Federal activity. As has been said, the Congress limited the duration of the law to 4 years, since this approach to the problem was new and it was anticipated that the need for certain changes would become apparent through experience.

"The Federal responsibility to which Public Law 874 is addressed will continue for as long as the Federal Government continues to own and use large areas of tax-exempt property and to impose substantial burdens on school districts in the form of reduction in their tax base or increase in their educational load or both. For reasons set forth in greater detail below, the committee is convinced that the accumulated experience under Public Law 874 has demonstrated its effectiveness in meeting this Federal responsibility and that the basic framework of the law must be extended at least until such time as a satisfactory substitute can be evolved and put into effect."

Another question may be raised. If Congress found the need to which Public Laws 815 and 874 were addressed to be a continuing need, and also found from the first 3 years of operation that the basic framework of these two laws was sound and effective in meeting the need, why were the laws extended for only 2 additional years? This question is also answered in House Report No. 703 as follows:

"While the special Federal responsibility to these school districts will continue for some time in the foreseeable future, the committee recommends only a 2-year extension of this law at this time because of the imminent establishment of a commission to make a thorough study of the proper relationship among Federal, State, and local programs in educational and other fields. It is probable that this commission will concern itself with the impact of Federal property ownership and other Federal activity on States and local communities. In any event, the recommendations of the commission will be of material value to the President and the Congress in reaching a decision as to how best to discharge on a long-range basis the type of Federal responsibility to which Public Law 874 is addressed."

Public Laws 815 and 874 have each been extended and amended a number of times since their original enactment. Invariably the reports of the House committee, in recommending extensions followed the concept that was enunciated in first passing each law, i.e., that they would be needed on a continuing basis as long as the Federal Government owned large amounts of nontaxable Federal property in local school districts. Extensions of limited duration (1, 2, or 3 years only) were recommended in order to give the Congress further opportunity to review the operations in the light of conditions existing at the end of the extension periods, to make any alterations that might appear to be indicated, or to discontinue the programs if a satisfactory substitute program should be developed.

For example, House Report 2357, 84th Congress, dated June 13, 1956, which accompanied H.R. 11695 for amendment and extension of Public Law 815 and 874, contains the following discussion:

"It became evident to the committee in hearings conducted in the spring of 1956 that there still are many school districts where the federally caused impact of children that is anticipated from new or enlarged Federal installations, chiefly as a result of the defense effort, will create serious shortages of school

facilities in the near future. The President recommended the extension of Public Law 815 in his message of January 12, 1956. \* \* \*

"The committee received testimony from the Department of Health, Education, and Welfare to the effect that the substantial program of military family housing which was enacted by the 1st session of the 84th Congress and which authorizes the construction of some 100,000 military housing units on Federal property will result in continued impacts on federally affected school districts. The committee is informed that 70,000 of these family housing units have thus far been allocated by the Secretary of Defense and that by September 30, 1956, the Secretary will have committed the entire program of approximately 100,000 units. In addition, there are some 27,000 housing units authorized to be constructed on Federal property from funds appropriated directly to the Department of Defense. \* \* \*

"For the reasons given above, the committee feels that the need for extending both titles III and IV of Public Law 815 for 2 additional years is extremely urgent."

House Report 1532, 85th Congress, dated March 19, 1958, contains the following:

"The Committee on Education and Labor, to whom was referred the bill (H.R. 11378) to amend Public Laws 815 and 874, 81st Congress, to make permanent the programs providing financial assistance in the construction and operation of schools in areas affected by Federal activities, insofar as such programs relate to children of persons who reside and work on Federal property, to extend such programs until June 30, 1961, insofar as such programs relate to other children, and to make certain other changes in such laws, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

"The bill H.R. 11378 is a committee bill reflecting conclusions relative to Federal assistance to local school districts in federally affected areas. These conclusions result from a thorough study of the program, including a mail questionnaire sent to all participating school districts, a field investigation by two members of the committee, 13 days of public hearing conducted by the General Education Subcommittee, recommendations from the Department of Health, Education, and Welfare, and careful consideration in executive session by first the subcommittee and then the full committee.

\* \* \* \* \*

"The major provision of H.R. 11378 is the recognition of the continuing and permanent responsibility of the Federal Government to provide financial assistance in the construction and operation of schools in areas affected by Federal activities. In the case of the so-called category A pupils—children of persons who reside and work on Federal property—the programs are established on a permanent basis. Insofar as the programs relate to other children, the bill extends such programs until June 30, 1961, a 3-year period for Public Law 874 and a 2-year period for Public Law 815. The committee believes that for other than category A pupils, the yardstick for measuring the degree of Federal responsibility should be regularly reviewed by the Congress."

Thus in 1958, after 8 years of operation, and as a result in part of recommendations made by the executive branch, the Congress made the programs of Public Law 815 and 874 permanent insofar as they related to children who lived on Federal property with a parent employed on Federal property. The Congress then continued the programs with respect to other categories of Federal impact only for an additional 2-year period.

Senator MORSE. Senator McNamara?

Senator McNAMARA. Mr. Chairman, in relation to the subject you just were talking about, impacted areas, I don't think we ought to lose sight of the fact that many communities surrounding big metropolitan areas are really poor school districts just as much as the poor school districts down in the southern part of the country that you referred to. And these people in the so-called bedroom communities, have all the problems that they have in the poor school districts in Mississippi or anywhere else. So we have poor school districts in the North and in the industrial States, sometimes even I think more than

in many of the States that you usually think about where we talk about the problem in the poorer areas.

Now, these people have had no control over the situation. They just don't have any tax base, and all the burden of education in that community falls upon the homeowner, the property owner, and further along the lines of Senator Morse, what he was talking about in connection with the impacted area, many of the communities that have become impacted areas have on the basis of the impact of these additional children bonded themselves for long periods of time, and they have been relying on the Federal funds for the impacted areas to pay off those 30- and 40-year bonds. This is something that we shouldn't lose sight of at this time, in my estimation.

Beyond that I want to agree with the chairman that this is a very fine presentation, very helpful to the subcommittee.

Mr. BIEMILLER. Senator, I would like to add just a word to that part of Mr. Schoemann's statement dealing with the Davis-Bacon provision. I have been pursuing this matter today with appropriate officials of the HEW and the Labor Department, and my research on the matter shows that an error was made, that they had not intended to include that particular phraseology dealing with contributed labor. It was lifted by error from the college housing bill where there is a real problem of this nature that exists. But in public school building construction programs they agree that they don't believe this is an appropriate section, and I understand they will communicate with you to that effect.

Senator MORSE. I am very glad to have that information. Thank you very much, gentlemen.

Mr. SCHOEMANN. Thank you very much.

Senator MORSE. The next witness was to be Mr. Jacob Clayman who advised the subcommittee that he will file a statement. When the statement is received, it will be printed in the hearing record, and not necessary therefore to have him testify.

The next witness will be Mrs. Fred Bull, National Chairman of Legislation, National Congress, Parent Teachers Association.

We are delighted to have you with us again, and you may proceed in your own way. For the record, you may wish to introduce your delightful associate.

**STATEMENT OF MRS. FRED L. BULL, NATIONAL CHAIRMAN OF LEGISLATION, NATIONAL CONGRESS, PARENT TEACHERS ASSOCIATION; ACCOMPANIED BY MRS. GRAY**

Mrs. BULL. Thank you, Senator Morse and Senator McNamara. I brought along with me Mrs. Gray, the chairman of our Washington Committee.

I am Mrs. Fred L. Bull, chairman of legislation for the National Congress of Parents and Teachers. I appreciate very much this opportunity to appear before you and to express the views of my organization regarding the crucial problems facing our public schools and our State and local fiscal authorities. Our National PTA Congress is a voluntary organization with a membership of nearly 12 million men and women who are taxpayers in every State of the Union. Our sole concern is for children—their health, their education, and their welfare.

Senator MORSE. May I interrupt to offer my apologies? I have just been called to the Foreign Relations Committee to work upon some matters. They want me to come over right away. I will try to be back.

Mrs. BULL. Thank you.

Although it is understandable that we find a wide variety of opinions in an organization as large and as democratic as ours, we do have certain basic legislation policies, each of which must be approved by at least 30 of the 52 State PTA congresses before it can be added to, or removed from, our national program. These previously adopted policies determine, at all times, our legislative action as a national organization. We can support only those specific bills that conform to these policies.

I shall mention only a few of these basic policies which relate to some of the proposed bills under discussion.

We believe:

1. That our public school system should be maintained and strengthened to meet the ever-increasing demands of today's world.

2. That public education is a responsibility of government and requires action and financial support at all levels: local, State, and National.

3. That Federal support for education should go to publicly controlled tax-supported schools only.

4. That all Federal legislation for the support of education should include provisions to insure maximum local control.

5. That Federal funds be appropriated for the purpose of increasing educational opportunity among the States, with encouragement to the States to put forth their best efforts to equalize opportunities within their own boundaries.

6. That Federal funds be provided to augment State and local support for schools in federally impacted areas.

These policies were developed over a period of many years as problems in education became more acute and the need for Federal support became more apparent. In past years our national organization has supported many proposed education bills, such as those for emergency school construction which were rejected in previous years, and those which passed the House and Senate last year only to be held by the House Rules Committee. Our interest and concern continue as we note the many inadequacies in our school systems which rob children of the opportunity to develop their individual talents to the fullest. Each year's delay in the enactment of a good Federal support bill has compounded the problem and added greatly to the educational handicaps of countless boys and girls.

And still the need grows. We parents who are so close to the schools are well aware of the mounting shortage of classrooms, the staggering number of teachers who do not meet the qualifications for certification, as well as many other urgent educational needs. According to the U.S. Office of Education there was a shortage of 142,000 classrooms last fall, almost 7,000 more than the shortage in the previous year. Some 685,000 children are on curtailed or half-day sessions. The National Education Association reports 93,917 teachers on emergency certificates; if we multiply that by 30 children (which is most conservative) it means that at least 2,817,510 children are being taught by such teachers. Think of it, and what this means to them and to the

country, even when we recognize that some teachers on emergency certificates are very good teachers. It is equally shocking that there are still more than 25,000 one-teacher schools in the United States.

We promise support.

Among the proposals in certain Federal-support-for-education bills which have particular appeal to us are the following:

1. That assurance against Federal interference in schools is provided.

2. That Federal support be based on average daily attendance in public schools and personal income per public school pupil.

3. That a general program of aid be provided for all public schools, with additional aid to low-income States, in order to equalize opportunity.

4. That State and local governments be required to maintain or increase their present support.

5. That Federal funds may be used for construction, salaries, additional teachers, or other purposes to improve education as each State might determine.

6. That a portion of each State's allotment would be available for special pilot, demonstration, and experimental projects in education.

#### IMPACTED AREAS

We are very much interested in amendments to Public Laws 874 and 815, as proposed in S. 1021. A careful comparison of what this would mean to all the various States makes us wonder why the proposed reductions cannot be made more gradually. Such reductions seem a bit too sudden and too drastic especially for those States which have already compiled their budgets or will have done so before enactment. This would require them to call special budget sessions for readjustments or new levies. It would be most helpful to a great many States if these proposals could be adjusted upward.

The new type of equalization-incentive formula proposed in S. 723 is interesting and seems to merit serious consideration.

Despite greater effort at the local and State levels, education needs have been accumulating for three decades and are at present greater than ever, and costs are higher. Like Alice in Wonderland, we have had to run faster and faster just to stay in the same place. Our members, as taxpayers, are willing to pay their fair share for quality education for their children. We are concerned not so much about the cost of providing a program of excellence as of the tremendously greater cost of not providing it.

Mr. Chairman, we recognize the outstanding ability and the sincerity of your subcommittee. We are confident you will report out a good bill to which we can give our full support.

We thank you very much for the privilege and your patience in having us here this afternoon.

Senator McNAMARA (presiding pro tempore). We appreciate very much your being here and making this very fine presentation. Certainly people should pay attention to the recommendations of the parent-teacher groups if they are going to listen to anybody, and I like your conclusion that we can't afford to do less than we are now doing. Certainly as far as this legislation is concerned, your conclusion that



we not only can afford to do it but we cannot afford not to do it is a very sound one to which I subscribe.

Now, you specified by number the reasons that this particular bill appeals to you, and in No. 5 you say that Federal funds may be used for construction, salaries, additional teachers, or other purposes. I think you went just a little bit too far by attributing this "other purposes" to this bill. It is restricted to teachers, teachers' salaries, and school construction.

Now, I think that some people have recommended this amendment that would bring this in. I just want to point out to you that the bill in its present form does not allow this.

Mrs. BULL. May I call your attention to the fact, though, that I did not tie it up with any special bill. I was talking about all the bills under consideration.

Senator McNAMARA. I see.

Mrs. BULL. And I said: "Among the proposals in certain Federal-support-for-education bills"—these have particular appeal to us. There are several bills that have some of these features in them so we had not really tied it down to one bill.

Senator McNAMARA. I see.

Mrs. BULL. Of course, most all of the items listed as appealing to us are to be found in the specifications in S. 1021.

Senator McNAMARA. The administration bill that we are working on at this time, not that we are excluding the others or excluding them from consideration, is restricted to the three. I tried to point that out to you and thought maybe that should be emphasized at this point.

Mrs. BULL. You have made it very clear, sir, and I thank you.

Senator McNAMARA. Thank you again.

Mrs. BULL. We were aware of the three provisions you mentioned in the administration bill.

Senator McNAMARA. Thanks not only for your very fine presentation but also for your continuing support for aid to education at all levels of government, and I know this is the program that your organization subscribes to.

Senator Randolph, do you have any comments or questions?

Senator RANDOLPH. Thank you, Mr. Chairman.

Mrs. Bull, I particularly want to comment on your recognition of the need to bring to those lower income States an equalization of the salaries paid to teachers in an effort certainly throughout the mobile Nation to spread the advantages of adequate teaching to our youth. I particularly commend you for the recognition of that very real need.

Mrs. BULL. Of course, our organization is interested in all children, wherever they happen to reside and wherever the wealth happens to be.

Senator RANDOLPH. Surely the wealth isn't always in dollars.

Mrs. BULL. Yes. You are quite right, sir.

Senator RANDOLPH. We have to deal here naturally with the costs of a program of this type, and I am sure that your statement embraces the thinking that States which have lesser income will have resources which oftentimes have contributed to the income of other States credited to those States and not to the source of the profit-producing State, that those States should be helped in a program of this type. Is that not true?



Mrs. BULL. Yes, sir, it is certainly true, but unfortunately not always understood.

Senator RANDOLPH. Thank you, Mr. Chairman.

Senator McNAMARA. Thank you very much.

Our next witness was to be Mr. Phillips, president of the National Association of State Executive Secretaries of State Teachers Associations. We have a communication from him addressed to Senator Wayne Morse and we will make it a part of the record at this time. And his statement that he would have presented had he been present will be made a part of the record at this time.

(The documents referred to follows:)

NATIONAL ASSOCIATION OF SECRETARIES  
OF STATE TEACHERS ASSOCIATIONS,  
Washington, D.C., March 9, 1961.

HON. WAYNE MORSE,  
*Chairman, Subcommittee on Education,  
Senate Committee on Labor and Public Welfare,  
Washington, D.C.*

DEAR MR. CHAIRMAN: Enclosed is a statement urging approval of S. 1021, the School Assistance Act of 1961. It summarizes the findings of a questionnaire circulated among all of our constituent members, specifically to secure information on the impact of the proposed legislation. Although the time was short, I was happy to note that 45 of our 50 members submitted their replies in time for them to be included in the tabulation. Accordingly, my statement presents not only our strong convictions on the desirability of a broad education bill which would give freedom of choice to the States but also is based on the findings of a nationwide survey.

It is my request that the statement be made part of the record of the hearings, and I hope that it will be useful to the committee in its deliberations.

Sincerely yours,

FERMAN PHILLIPS, *President.*

PREPARED STATEMENT BY FERMAN PHILLIPS, PRESIDENT, NATIONAL ASSOCIATION  
OF SECRETARIES OF STATE TEACHERS' ASSOCIATIONS

As president of the National Association of Secretaries of State Teachers' Associations, I am grateful for this opportunity to present material dealing with the urgent need to enact legislation contained in the administration proposal, S. 1021. As you may know, the National Education Association as well as the National Association of Secretaries of State Teachers' Associations is in favor of this proposed legislation.

All of us who work to advance the cause of education are very conscious of the fact that the Senate last year passed S. 8, a bill we rather liked, and that the House merely passed a school construction bill. We have serious misgivings about confining the Federal effort to school construction and it is my purpose today to shed a bit more light on this concern. Specifically, in an attempt to make this more understandable and to present our point of view more clearly, we have circulated a questionnaire to my colleagues, the executive secretaries of the 50 State education associations. We have received replies from 45 out of 50. (For the record, no replies were received from Arkansas, Louisiana, Maryland, Mississippi, and Utah.)

I. Here is the answer to the first question. None of my colleagues said that the most pressing need is for additional funds for school construction. Thirty-one of them (69 percent) said the most pressing need is for additional funds for teachers' salaries. An additional 12 answers (27 percent) specified that the needs for additional funds for teachers' salaries and school construction are about equally pressing. There were two other answers (4 percent) which indicated advocacy of general school support or general aid to be used in a manner to be decided by the State department of education—in other words, precisely the kind of legislation you are now considering.

This does not mean that I am reproachful of the Congress for passing a school construction bill last year. On the contrary, I recognize that the House of Representatives went further than it has in many years in seeking to provide more financial resources for our schools. What I am trying to stress here is

that school construction is not enough, that on a purely practical basis Federal funds are needed in such a way that the State itself can decide how the money should be spent—for teachers' salaries or for school construction, as advocated in H.R. 4970.

Some of the replies were not a mere checkmark on a questionnaire, but included commentary, some of it lengthy, to explain the need for the type of legislation you are now considering. Let me give you some examples:

(a) Minter E. Brown, of Kansas: "With the exceptions of a few communities, our major problem is not money for buildings, but money for operation."

(b) Craig P. Minear, Colorado: "Let me emphasize that legislation providing Federal assistance for school construction only would be of little help in Colorado. \* \* \* The only Federal legislation which would give help to Colorado would be legislation which would allow our State to decide how much should be spent on buildings and how much on teachers' salaries or other school costs."

(c) L. P. Sturgeon, Texas: "A recent statewide study indicates that almost every district in Texas can meet its school building needs without either State or Federal assistance. \* \* \* The enactment of a freedom-of-choice bill which would permit the State to meet its construction needs in those areas where such need exists, but use most of the funds for improving teachers' salaries, would be of great assistance to the improvement of our public school program. The idea that provision of funds for construction would free substantial amounts for salary and other purposes is just not true in this State."

(d) Frank M. Hughes, Georgia: "Georgia has finished a \$200 million State aid construction program and is now entering a new construction program of \$60 million. We need teachers' salaries. Our building needs are in good condition."

I think these samples will lend substance to our advocacy of S. 1021. Check one of the statements below which, in your opinion, best described the situation in your State:

TABLE 35.—*Teachers salaries versus school construction*  
*Table I*

	Number	Percent
(a) The most pressing need is for additional funds for school construction.....	0	0
(b) The most pressing need is for additional funds for teachers' salaries.....	31	69
(c) Needs for additional funds for teachers' salaries and school construction are about equally pressing.....	12	27
(d) Other.....	2	4

II. The next question taken up by this survey will help to clarify another difficulty many of the States would encounter if a bill were passed confined to school construction only. It deals with the existing legal requirements in the various States including the use of local millage now available for school construction debt or other school costs including teachers' salaries. Only 16 of the answers, or 36 percent, would allow such use of funds, while 64 percent, or 29 States, preclude such use. For the "no" answers, the following question provided additional details:

"If you checked 'no' above, would a constitutional or a statutory change be required to apply the millage so released to other school costs?"

The answers were 11 States (39 percent) would require a constitutional change; 17 States (61 percent) would require a statutory change; and 6 other States (21 percent) require rather involved answers which tend to add up to substantially the same as a major obstacle in existing State legislation.

In any event, the conclusion is obvious that existing constitutional and statutory limitations would not permit the use of school construction funds in such a way as to liberate additional State and local funds for salary purposes on an adequate scale. Accordingly, I urge the members of this committee to follow the lines recommended in last year's Metcalf bill and in this year's administration bill so as to permit the States to choose between school construction and teachers' salaries.

In the event Congress should pass a school-aid bill limited to school construction only, would it be possible under existing legal requirements in your State to apply the local millage now available for school construction debt to other school costs including teachers' salaries?

Table II

	Number	Percent
Yes.....	16	36
No.....	29	64

If you checked "No" above, would a constitutional or a statutory change be required to apply the millage so released to other school costs? (Check one.)

	Number	Percent
(a) Constitutional change required.....	11	39
(b) Statutory change required.....	17	61
(c) Other.....	6	21

III. In many existing Federal programs the concept of the matching of Federal dollars with State or local dollars has come into great acceptance and use. In the area of education, for a variety of reasons, there is strong opinion that matching would not be equally helpful. Here is the question: "In your opinion what would be the effect of a substantial Federal program which aided only school construction on a matching basis?"

And here are the answers: Only four of the answers (9 percent) indicate that State and local funds now tied up for school construction purposes would be released for teachers' salaries and other school costs.

Twenty-eight of the answers (62 percent) indicate that the construction program, aided with Federal funds and matched with State and/or local funds, would tend to draw more State and local funds to construction and divert State-local funds which might otherwise be available for other school purposes, including teachers' salaries. Seven more answers (16 percent) indicate that money would probably be found in this State to match the Federal construction money without diverting any existing or needed new funds from other school purposes. An additional eight answers (18 percent) are scattered. The comments include: Alaska, economically, cannot match funds. In Connecticut the two are not mutually exclusive. In Montana there are no State funds for construction—any matching would have to be on a local basis.

Accordingly, it seems appropriate for me to indicate to you that matching would not be particularly desirable in legislation of this type, if it truly is meant to help our schools.

In your opinion what would be the effect of a substantial Federal program which aided only school construction on a matching basis? Please check one of the following:

Table III

	Number	Percent
(a) State and local funds now tied up for construction purposes would be released for teachers' salaries and other school costs.....	4	9
(b) The construction program, aided with Federal funds and matched with State and/or local funds, would tend to draw more State and local funds to construction and divert State-local funds which might otherwise be available for other school purposes including teachers' salaries.....	28	62
(c) Money would probably be found in this State to match the Federal construction money without diverting any existing or needed new funds from other school purposes.....	7	16
(d) Other.....	8	18

Up to this point, I fear that my testimony has been somewhat negative and that I have told you of the shortcomings of last year's measure which, in the House, was confined to school construction. Similarly, I have given you the overwhelming opinion of the State secretaries against legislation confined to school construction with a matching feature.

Briefly, but most emphatically, let me turn to the positive need for S. 1021. As President Kennedy said, this is a modest but necessary beginning. Obviously, we would like to see more funds appropriated for education so as to provide the kind of financial support that we really need, but we strongly back S. 1021 as it stands.

There have been volumes of testimony given on the pressing needs confronting our schools. In years past, our emphasis used to be on school construction at a time when a mere emergency measure was being advocated by the Eisenhower administration, at a time when this limited type of bill would have helped us. Now we must not only make up for the years we have lost in the meantime, but we must reassess the entire problem of our educational needs, our financial support, and we have come to the conclusion that the Federal Government must assume a larger share.

The figures are so well known that they barely need restating. Our classroom shortage persists at a level of approximately 130,000 to 140,000 with last year's report showing a new increase of approximately 10,000 units to somewhat more than 140,000—a deficit not to be sneezed at.

Our shortage of teachers is equally well known, a shortage which numbers at least 90,000 or, depending on the criteria used, may according to a different method be estimated at approximately 140,000.

What is at stake here is not the exact definition of the problem, especially because this problem is rather generally acknowledged by those who are concerned with education. There would also appear to be no need to tell you heart-rending tales of double sessions, of youngsters who meet in overcrowded classrooms, or of teachers who leave the profession because they cannot contend with the overcrowded classrooms and the great number of youngsters jammed into facilities meant for a small number. For the record, however, I would like to remind the members of the subcommittee that a classroom shortage of 142,000 means that youngsters who would normally be taught in those classrooms are being distributed over our existing facilities. This means that a huge number of classrooms are overcrowded, and being overcrowded, it is not only the excess portion of the class that is being penalized, but all of the youngsters. As you probably know, small classes are highly desirable, and beyond 25 students rooms tend to be too crowded and teachers cannot devote adequate personal attention. Now, if we add just 5 additional students to each classroom, it is not only 5 excess students who are being penalized, but the other 25 students as well. This is a fact we must never lose sight of. Therefore, for the sake of the school-children, for the sake of the teachers, and for the continued well-being of our Nation, I urge your speedy approval and support of S. 1021.

Senator McNAMARA. That concludes our hearing for today, and we will recess until 9:30 tomorrow morning. Thank you.

(Whereupon, at 5 p.m., the subcommittee recessed, to reconvene Friday, March 10, 1961, at 9:30 a.m.)

— 102 —

— 103 —

— 104 —

— 105 —

— 106 —

— 107 —

— 108 —

— 109 —

— 110 —

— 111 —

— 112 —

— 113 —

— 114 —

— 115 —

— 116 —

— 117 —

— 118 —

— 119 —

# PUBLIC SCHOOL ASSISTANCE ACT OF 1961

---

FRIDAY, MARCH 10, 1961

U.S. SENATE,  
COMMITTEE ON LABOR AND PUBLIC WELFARE,  
SUBCOMMITTEE ON EDUCATION,  
*Washington, D.C.*

The subcommittee met, pursuant to recess, at 9:35 a.m., in room 4232, New Senate Office Building, Senator Wayne Morse (chairman) presiding.

Present: Senators Morse (presiding), Clark, Yarborough, Randolph, and Javits.

Also present: Senator Metcalf of Montana.

Committee staff members present: Stewart E. McClure, chief clerk; John S. Forsythe, general counsel; Charles Lee, professional staff member of the subcommittee; Michael Bernstein, minority counsel; Raymond Hurley and John Stringer, associate minority counsel.

Senator MORSE. The hearing will come to order.

The first witness will be Mr. W. Ted Barkhurst, administrative assistant, Great Falls, Mont., public schools. I understand that Senator Metcalf had hoped to be here to introduce Mr. Barkhurst and Mr. Dean Lindahl of the State department of public instruction in Montana.

We are delighted to have you with us. I am looking forward to your testimony, and I shall ask Senator Metcalf to introduce you for the record when he arrives. The subcommittee must, however, proceed with its business, and I will hear Mr. Barkhurst first.

Mr. Barkhurst, come to the witness stand. We are delighted to have you, Mr. Barkhurst. You may proceed.

Here is Senator Metcalf now. I was substituting for you Senator. I was just introducing this distinguished citizen from Montana, but I will now yield the floor to you. I had a speech that I planned to make for you.

Senator METCALF. I am here to introduce him, but since you have done such a splendid job, as you usually do, I am going to let him proceed.

Senator MORSE. I am not going to let him proceed for a moment. I want to say something about you first.

I want to say that the subcommittee is also very proud of having the views, either now or later, of the Senator from Montana. The record will show that the Chair's regard for the views of the Senator from Montana are such that I insisted that he join me in conferences which we have had with officials of the Department of Health, Education, and Welfare. Our conferences included meetings with Secretary Ribicoff, and I wanted Senator Metcalf to participate because

when the Senator from Montana was a Member of the House representing Montana, I considered him really the leader on the House side in the whole field of education.

I know of no one in either the House or the Senate who is better informed on the long history and the problems connected with the fight for Federal aid to education than the Senator from Montana, Mr. Metcalf. I hope that he will give us the benefit, either now or later in these hearings, of his views on the administration bill and the other bills before the subcommittee.

I think he will perform a great service to this subcommittee, by doing so, and furthermore, I think that his views made for the record, will exercise a great influence within the Senate because the Senate as a whole is aware of his background in this field.

So I would like to ask the Senator from Montana whether he wishes to testify now or if he prefers to have us schedule him sometime next week for a statement?

#### STATEMENT OF HON. LEE METCALF, U.S. SENATOR FROM THE STATE OF MONTANA

Senator METCALF. Mr. Chairman, I am, of course, very pleased with the remarks the chairman has made and I was honored by the chairman to be consulted, although not a member of this subcommittee, to be consulted on every part of the draft of the proposed legislation, and I have joined the chairman in the introduction and support of the President's proposals in this field.

I would like to testify at some later date and have this opportunity for my constituents from Montana to testify. I do want to say that I am wholeheartedly in accord with the bill that the chairman has introduced and that has been sent up here by the President. I hope that when the subcommittee and the full committee come to consideration of this important educational measure, that we will not insert into it other social matters that can be better taken care of by separate legislation. I hope that we will start with this modest and moderate beginning.

Last year and the year before I was the cosponsor of a bill for \$25 per pupil. I thought that that was a very modest beginning. This is a minimum of \$15 per pupil, and it is even more modest. But even so, it is necessary that we begin to cure one of the gravest domestic crises that we have in the United States, and we must begin, maybe slowly, and work up, and I hope to testify in greater detail, if the chairman will permit, at a later date, and turn this time over to the witnesses from Montana.

Senator MORSE. I have instructed the staff, Senator Metcalf, to meet your pleasure and convenience in scheduling you for any date you want to testify before this subcommittee.

For the benefit of the press, I would like to say that I think the statement you have just made for the record is of great significance. I hope the press will take note of the fact that the Senator from Montana, who is recognized as one of our leading authorities on Federal aid to education, has just announced that he shares the point of view that our chief job in this session of Congress is to pass the bill as submitted by the administration; that it is basically a Federal aid



bill to public schools; and, that we should all do our best to get the public school aid bill passed. He concurs in the view that we can then turn our attention to independent pieces of legislation, to any other subject matters connected with the field of education which interest other groups. As chairman of this subcommittee, I thank the Senator from Montana for making that statement, because it is in complete support of the position that the chairman of this subcommittee is going to press upon the Senate.

We ought to take care of first things first. In my opinion, the first thing which ought to be done in this field of education is the adoption of the administration's bill, S. 1021. It was eloquently defended by the President himself in his press conference the day before yesterday. I hope to see the forces of the Senate rally behind the proposal which the Senator from Montana has now just endorsed again, to get this bill passed. Then, I think, we can clear the way for future and further consideration of other proposals.

I am going to press this matter until it becomes boring, possibly. The sad fact is that if we try to intermingle into this bill other issues, which in my judgment have no direct connection with the problem of public education, the end result may very well be a failure on the part of Congress to do anything in this field during this session of Congress. I think that would be a catastrophe from the standpoint of the boys and girls of America. I have no intention of ever letting my eye stray 1 minute from the interests of those boys and girls. I intend to oppose any and all political strategies which would divert the Congress from the consideration of the best interests of our boys and girls.

In a nutshell, that is my position, and I interpret the remarks of the Senator from Montana to be at least an endorsement of that goal, irrespective of any differences which may develop as to methods for reaching that goal.

Senator METCALF. I fully concur in the remarks by the chairman and I hope I will have an opportunity in the next day or so to elaborate on this testimony.

Senator MORSE. Thank you, Senator, very much.

We will now turn our attention to the testimony of Mr. W. Ted Barkhurst, assistant superintendent of schools, Great Falls, Mont. We are delighted to hear you, Mr. Barkhurst.

#### **STATEMENT OF W. TED BARKHURST, ASSISTANT SUPERINTENDENT OF SCHOOLS, GREAT FALLS, MONT.**

Mr. BARKHURST. Thank you, Mr. Chairman.

First, I would like to express my thanks to you, Senator Morse, and your committee for the privilege of coming down here from Montana and stating these facts as they pertain to the public schools in Great Falls. I would like to read a short statement here.

In order to meet the projected federally impacted conditions in Great Falls School District No. 1 and the substantial increase already started as a result of the Minuteman project, it is imperative that Public Laws 874 and 815 be extended in their present form.

The Great Falls schools have an enrollment of about 14,000, which is double our enrollment as of 1950. Of this number, 3,500 are di-

rectly the result of Federal activities in the Great Falls area, and either live on and/or work on nontaxable Federal property.

The per-pupil cost in the Great Falls system for 1959-60 was approximately \$370 for the elementary students and \$410 for the high school students. Of this amount, 70 percent was provided from local property tax, 26 percent from State aid, and 4 percent from Federal funds.

In order to get a clear picture of this, it is necessary to break it into two categories, the A and B students, as classified by the Federal Government. It is my understanding that in the School Assistance Act of 1961, payment for the B category pupils will be substantially reduced, so I would like to concentrate on this group.

Great Falls received \$100 from the Federal Government in lieu of taxes for each of the so-called B students. The actual local cost for the education of students in Great Falls public schools was approximately \$275. To the best of my knowledge, this was derived from the property tax broken down about evenly from the place where the students' parents lived and from the place where the students' parents worked.

I would like to make the following statement regarding the local effort. Great Falls has one of the highest mill levies in the State of Montana for all school purposes, and it has increased each year since Malmstrom Air Force Base was built. We are bonded within \$100,000 of our capacity on the elementary level and have just completed five new elementary schools of which only one received any Federal aid whatsoever, and this one 75 percent of the total cost.

I believe the taxpayers of Great Falls have more than met their responsibility in furnishing first-class education to all residents of the Great Falls community. We have every intention of continuing this educational program. Current operating expenses are dependent upon a voted levy each year of about 30 percent of our total operating cost. Any cutback in P.L. 874 money would, in effect, add to this voted levy; jeopardize the chances of its being voted on favorably; and cause a drastic reduction in the educational program.

While I do not intend to be an official spokesman for the State of Montana, the conditions that I have outlined above for the Great Falls community are representative of the Federal impact from the Minuteman project that may be expected for several additional communities in the Great Falls-Lewistown area.

Senator MORSE. Thank you very much, Mr. Barkhurst. I have a couple of questions to ask you.

You say—

We are bonded within \$100,000 of our capacity on the elementary level and have just completed five new elementary schools, of which only one received any Federal funds.

Have you sold bonds in your district since the adoption of the federally impacted area legislation?

Mr. BARKHURST. Yes, we have.

Senator MORSE. Would you think it a fair statement to say in the promotion and sale of these bonds, the citizens of the area had reasonable grounds to believe that the contributions from the Federal Government would continue so long as the Federal impact existed?

Mr. BARKHURST. If I follow you correctly—I am not sure that I do, Senator.

Senator MORSE. I want you to understand clearly that what I am asking you, in effect, is for an answer to this:

Do you think that in the sale of those bonds the purchasers thereof had reason to take into account the fact that for the life of the bonds, the Federal contributions to the district would continue, provided the Federal impact continued?

Mr. BARKHURST. I am sure that is correct; yes.

Senator MORSE. If the Federal funds are withdrawn in whole or in part, it creates an additional tax problem within the district from the standpoint of making payments on the bonds, does it not?

Mr. BARKHURST. That is right. The point I was making here, as Senator Metcalf well knows, we have a problem there that each year for about 30 percent of our operating expenses, we have gone to the people and have that voted on in case the Federal funds for current operating expenses are curtailed drastically or cut back entirely.

Then the reaction on the residents of Great Falls naturally would be that they are sharing an undue load due to the Federal connected children and they would possibly defeat the entire issue, and in effect, it would cut off a third of our operating expenses and cut back our schools, if not close some of them.

Senator MORSE. One of the arguments used against your position—and it is my duty as chairman of this subcommittee to see to it that all the pros and cons are made a part of this record, as far as my knowledge of them is concerned—one of the arguments used against you follows this hypothetical reasoning, and let us apply it to your area.

Let us assume now that your area, instead of this airbase having been installed there, that Reynolds Aluminum Co. came in with a huge industrial aluminum plant which would employ the identical people and bring in the identical children into the area, and they would rap at the doors at your public schools for admission. You would take care of them.

Mr. BARKHURST. Yes, sir.

Senator MORSE. Some way, somehow.

Why should the Federal Government bringing in the same population, supposedly with similar economic advantages to the community, be expected to contribute to your school district if in my hypothesis, Reynolds Aluminum Co. wouldn't be expected to pay you a flat sum of money on the basis that you are now an industrial impacted area, instead of a federally impacted area?

Mr. BARKHURST. Well, there is one small difference. In the case of a private enterprise coming in, we would have the taxes derived from the place where their parents were working, which is equivalent to about half of our operating tax, and on that basis, all that we would ask would be the taxes derived from the federally owned property. We have no quarrel with educating federally connected children. In fact, we would like the idea of mixing those in.

But we would like to have the taxes derived from the place where their parents were on the same basis it would be on private enterprise.

Senator MORSE. I wanted that point made a matter of record, but now there is a second point I want you to consider.

What do you say to those who will be on the other side of this argument if they contend that the calculation, then, of the Federal contribution should be based upon an evaluation of what property would

be paid taxes if it were privately operated instead of governmentally operated?

Mr. BARKHURST. We most certainly would welcome that. As far as we are concerned, and have been able to estimate, we would be much better off on that basis than we are on the basis as is, at the present, we receive \$100 in lieu of local taxes and our local cost is somewhere in the neighborhood of \$275. So even with the Federal payment for the so-called B children, the local community there is still picking up a considerable amount of their local cost, which I know there is some justification for, because we understand and we realize that bringing those people in, there are fringe benefits in taxes, increased business, and so forth. So I think that is probably fair, that we should not expect the entire local cost, but I do think it is also fair that we should receive a considerable portion of it that we lose due to the lack of no taxes on federally owned property.

Senator MORSE. May I ask if the members of my seminar from the Department of Health, Education, and Public Welfare are in the room?

I have an assignment. I want you to prepare a memorandum on this very point that I am asking the witness, because I think it is going to become of great importance in our executive committee discussions.

Let me put the problem this way. I would like to have you prepare a memorandum for me dealing with various federally impacted areas in the country which in the past have been receiving Federal allocations under the federally impacted legislation.

I would like to have that memorandum show, to the extent that you can, what the difference would be in the collections in the communities concerned if the Federal property and the Federal installations were subject to local taxes, in comparison with the contributions that the local district is getting in lieu of taxes.

Now, it may be that the original theory of the legislation needs to be changed. That is a matter of a future decision. If we are to proceed on the assumption that the original theory of the legislation was based upon and in lieu of tax payment, then I think the Congress ought to have the factual information bearing upon the question I have just put.

That does not mean that our decision should be that a given district should get no more, as a payment in lieu of taxes, than what they would have had if the property had been subject to taxes. Neither does it mean that they shouldn't get less. We are going to find, I think, on the basis of my own knowledge, that there are some installations in some areas which create special problems.

There are certain areas of this country where a Federal installation has been built in connection with our nuclear program, for instance, in which there has been such an influx of students. There the school district concerned just could not possibly have handled the problem. This would have been true even if it were a private enterprise installation. The school district couldn't possibly have handled the situation on the basis of the income from taxes.

I mention this so no one can say later, that the Senator from Oregon took the position that the only amount of money a school district should get would be the amount of money they should otherwise have been able to collect from taxes.

I think we are going to find some instances in which the Federal Government has an obligation to pay more than we could possibly have expected the district to collect from private industry by way of taxes. The first thing we need to get, however, is the comparison in memorandum form of what the districts would have been able to collect by taxes if the installation had been a private institution rather than a Federal institution.

It seems to me that is a vital fact we need, and I would like to have a memorandum prepared on that question.

Those are the only questions I have.

(The memorandum requested follows:)

**ESTIMATED AMOUNT OF SCHOOL REVENUE WHICH WOULD BE DERIVED FROM FEDERAL PROPERTY IF TAXABLE BY FEDERALLY AFFECTED SCHOOL DISTRICTS**

Recent information is not available in the Office of Education on which to make an estimate as to what the school revenues to be derived from Federal property located in or near each of the nearby 4,000 federally affected school districts would total if such Federal property were assessed and taxed in terms of prevailing assessment practices and at the rates in each of these school districts.

In the fourth year of the program (fiscal year 1954) applicants under Public Law 874 were asked to include data in their applications as to the number of acres and the estimated taxable value of Federal properties claimed as a basis for eligibility and entitlement, these values to be based on local assessors' estimates of true value and prevailing local assessment ratios. In that year 2,706 school districts reported as the basis for their claims some 105.6 million acres of Federal property on which children in attendance at their schools resided or on which their parents were employed. The total estimated taxable value of this Federal property as reported was \$22.493 billion. The total entitlements of these school districts under Public Law 874 were \$65.307 million. A tax rate of 2.9 mills would have been required to raise this \$65.307 million in school revenues if applied to the estimated taxable value of Federal properties claimed of \$22.493 billion. The average of the local school tax rate in mills reported by these school districts was 15.6. If this average rate had been applied to the \$22.493 billion estimated taxable valuation it would have yielded \$348.165 million, or more than five times the payment under Public Law 874 in that year.<sup>1</sup>

The study reported above was discontinued after 1954 because of grave questions raised as to the validity and reliability of the data, particularly concerning the estimates by local assessors of the value of Federal properties claimed by school district applicants. For example, how would a local assessor arrive at an assessed valuation for Fort Myer in Arlington County, Va.? Would this property be assessed by a local assessor in terms of its probable value if the land were available for use as the site for apartment buildings? Or in terms of its acquisition cost to the Federal Government when acquired many years ago? How would a local assessor appraise the value of a portion of National Forest lands? Of a Federal courthouse, or post office?

Another question as to validity of the above-reported 1954 study arises as to the propriety of the application of the going local tax rate. Many (almost half) of the Federal properties claimed by applicants as the place of employment of parents of children in attendance were located outside of the tax jurisdiction of the applicant school district. Numerous school districts claimed the same Federal property and reported its valuation by the local assessor. Had the Federal property been taxable, it would have been a part of the tax base of only one or two school districts rather than of the scores which reported it.

Another estimate of the amount of school revenues which might be derived from the value of Federal property if all such property in the United States were taxable is set forth below.

According to the "Inventory Report on Real Property Owned by the United States Government" as of June 30, 1960, prepared by the General Services Administration and recently published by the Government Printing Office, the value of

<sup>1</sup> Source: Administration of Public Law 874 and Public Law 815, Fourth Annual Report of the Commissioner of Education, June 30, 1954, table 9, p. 117.

federally owned real property in the United States was \$46.3 billion. This valuation was based on the cost of acquisition and excludes any valuation for public domain not acquired by purchase. The report indicates that there are 771.5 million acres of land in the United States owned by the Federal Government, not including 53.5 million acres of land, principally Indian reservations, held in trust by the Federal Government which, by definition, are Federal property for the purposes of Public Law 874 and Public Law 815. Some 51.5 million acres were acquired by purchase at an acquisition cost of \$3 billion, included in the \$46.3 billion. The inventory report gave a cost of acquisition of \$19.9 billion for some 2.4 billion square feet of floor area in buildings acquired by the Federal Government and a cost of acquisition of \$23.4 billion in an unspecified number of structures and other facilities on Federal real estate. Assuming that factors of depreciation and of appreciation in value will balance out, the \$46.3 billion figure would appear to be a reasonably conservative taxable valuation.

We have not been able to find any official estimate of a national average school tax rate as applied to the taxable value of real property in the United States. According to a doctoral study conducted by a member of the staff of the Office, Dr. Eugene P. McLoone, published by the University of Illinois entitled "Effect of Tax Elasticities on the Financial Support of Education," the estimated real property school tax revenue as a percent of estimated full value of taxed property in the United States for 1958 was 1.6 percent. If this percent were to be applied to \$46.3 billion, the estimated taxable value of Federal property in the United States, the yield would be \$694.5 million in school taxes. This amount is to be compared with \$203 million which is the estimated total cost for fiscal 1962 of Public Laws 874 and 815, as amended, as proposed in S. 1021.

Here again the foregoing second basis of estimate of the amount of school revenue which would be derived from Federal property in the United States may be subject to grave question, not only with respect to the valuations but also with respect to the average school tax rate. Thus, if one were to apply to the \$46.3 billion cost of acquisition value (assuming this to be the true or sales value, which is a questionable assumption) the national average assessment ratio of 30 percent, the resultant valuation is \$13.89 billion.\* Applying the national average school tax rate reported by federally affected school districts in the 1954 study of 15.6 mills to this valuation produces \$214,684,000. It must be noted again, however, that much of this Federal property is located in no school district's tax jurisdiction, and that had the portion located in such jurisdictions been taxable, it would probably have yielded much less than the smaller estimate shown above.

In summary, it is virtually impossible to arrive at a sound estimate of the amount of school revenues which would be derived from Federal property if same were taxable by the federally impacted school districts. Insofar as the underlying justification for the equity of the amount of the Federal payments to such districts rests on an in-lieu-of-tax principle, it can neither be supported nor disproved by any presently available data.

**Senator METCALF.** Mr. Chairman, I have another point. The other day in Montana we let a contract for the construction of the Minuteman missile, a \$62 million contract. The Minuteman is an automatically fired missile from Malmstrom Air Base, and it consists of little underground silos built all over that central area of Montana with complicated wiring in between.

Of course, that \$62 million contract would mean that in the next 2 years, thousands of men will be employed in Montana, but many of them will not be employed on Federal property, either owned or leased. They will be employed on property wherein the Federal Government has an easement, and I have had prepared and wish to submit an amendment to Public Law 874 and Public Law 815 providing that when people are employed for contractors on behalf of the Federal Government where there is an easement, as well as where there is leased or owned property, that Public Law 874 will apply.

---

\* Source: Bureau of the Census, "Taxable Property Values in the United States," 1957 Census of Governments, vol. 5.



Senator MORSE. Are you going to introduce that in the Senate today, or—

Senator METCALF. Yes; I am going to introduce it, and I would like to have my proposed amendment put in the record.

Senator MORSE. It will be made part of the record at this point.  
(The amendment referred to follows:)

PROPOSED AMENDMENT SUBMITTED BY SENATOR METCALF

Sec. —. (a) Section 5(a)(2) of the Act of September 23, 1950 (Public Law 815, 81st Cong.), is amended by inserting before “; and” at the end thereof the following: “. A child of a parent who is employed in the activities of the United States carried on directly or through a contractor on real property over which the United States has an easement shall be considered as residing with a parent employed on Federal property (located where such real property is located) for purposes of this paragraph for so long as his parent is so employed”.

(b) Section 3(b) of the Act of September 30, 1950 (Public Law 874, 81st Cong.), is amended by adding at the end thereof the following: “A child of a parent who is employed in the activities of the United States carried on directly or through a contractor on real property over which the United States has an easement shall be considered as residing with a parent employed on Federal property (located where such real property is located) for purposes of this subsection for so long as his parent is so employed.”

Senator MORSE. May I also say to the members of the Department of Health, Education, and Welfare that you have been very helpful to me and I want you to know the whole committee appreciates it. I do think that we ought to have the benefit of a memorandum from you that would give us some data and information on the question as to whether or not there is a continuing need for Federal assistance in these federally impacted areas. It seems to me that within the administration there have been those who have been proceeding on the assumption that because a program has been a program of some years standing, the need no longer exists, or that communities must have adjusted to the original need. The feeling may be that there has been sufficient economic change permitting the Federal participation to be withdrawn or reduced.

Well, I have long recognized on this job that one ought to be very careful about the major premises from which reasoning starts. There is always a tendency to assume the validity of basic premises. I would like to have this particular premise carefully checked as to whether or not it is true, as is contended by some, that those in the administration who are proposing this modification have made a completely false assumption on the matter of need. We should check to find whether when you come to the areas concerned, the need continues to be practically the same as it was when the original installation was built. We need to know whether economic expansion in the area of activities outside of the installation has not increased so as to produce additional tax revenue which could be attributed directly to the location and installation in the first place and which would permit the raising of school taxes in sufficient amounts to take care of the children.

Here again, as I said yesterday, is a question of fact and I am not going to argue about facts.

I am going to find out what they are. I would like to know what the facts are about this matter of need in the districts and areas where these installations have been built. It is up to the administration, it seems to me—I am speaking most respectfully—to justify a reduction



in these amounts from the standpoint of proving that there no longer is the need. If the administration cannot show that there has been a reduction in need, my recommendation to the President will be that he review this part of the bill to the end of giving assurance to the school districts that he wants the need, if it exists, to still be met by the Federal Government. I will put the matter in the following way:

The Federal Government has no right to seek to transfer to the local school district a Federal obligation. There is a Federal obligation here, in my judgment, to see to it that the educational needs of these children that the Federal Government is responsible for bringing into the district are taken care of without the taxpayers in that area, in effect, paying a tax obligation which is owed by all the people of the United States. In my judgment, when the Federal Government acts in one of these federally impacted area matters, it acts for all of us. If we as a people, through the Government, are going to transfer into Montana or Arizona or any place else in the United States, hundreds of thousands of children whose parents work on a Federal installation that is tax exempt, then all of us have the duty to make a contribution to the taxpayers in that area in defraying the cost of education of the children in the affected area.

I can't set it out more clearly as far as my problem is concerned. I just respectfully ask you to transmit to the Secretary of Health, Education, and Welfare my position, that as far as I am concerned, in my courtroom the burden of proof is on him on this point. If he cannot sustain that burden of proof, then I will submit a recommendation to the President that this section of the bill be modified, or I will simply have to notify him that on this particular matter, I will have to support the kind of position that is being taken by Senator Metcalf and others, and I don't want to have to do this.

Thank you very much.

(The memorandum requested follows:)

**STATEMENT REGARDING CURRENT NEED FOR PUBLIC LAW 815 AND PUBLIC LAW 874  
COMPARED TO THE NEED FOR THESE PROGRAMS WHEN THESE TWO LAWS WERE  
ENACTED**

In the fall of 1949, two subcommittees of the House Committee on Education and Labor investigated the need for Federal assistance to public schools in federally affected areas. They conducted field investigations in 23 locations in 16 States receiving testimony from approximately 600 witnesses from 42 States. These witnesses recounted the problems they were facing in their school districts in attempting to provide free public education for children who lived in war-built Federal housing projects, on military reservations or on other Federal properties which could not be subject to local property taxes. They testified regarding the substantial increases in school enrollment during the war and the continuing presence in their districts of children whose parents were employed on Federal property or who came in to work in plants having Federal defense contracts. They pointed out that since the major source of local funds for financing construction and current operating expenses of public schools was taxation of real property, the school districts were seriously hampered in attempting to provide normal services and facilities for the increased school population because of the inability to tax property owned by the Federal Government.

In an effort to ascertain the extent to which enrollments had increased in federally impacted areas and to identify the problems of financing school facilities in these areas, the committee conducted a study which was published as a committee print in 1950 titled "Federal Assistance for Educating Children in Localities Affected by Federal Activities," report of special investigating subcommittees to the Committee on Education and Labor. This study consisted of the analysis of questionnaires completed by federally impacted school dis-

tricts giving information as to their school enrollments, expenditures and source of funds for school operation and construction in the last normal year prior to the Federal impact and in the 1948-49 school year and estimates for the 1949-50 school years. The data reported on these questionnaires for some 350 school districts were analyzed and presented in tabular form in the report mentioned above. This report also presented some information on the major types of Federal installations by State which had caused Federal impact, including the acreage of federally owned property and estimated value of the federally owned property.

After reviewing the information gathered in the investigation and the questionnaire study, the investigating committee's report made certain findings and recommendations.

These recommendations were embodied in the legislative proposals which eventuated in the enactment of Public Law 815 and Public Law 874. Section 1 of Public Law 874 embodies the committee's recommendation that it be the policy of the United States to provide financial assistance as set forth in the act for those local educational agencies on which the United States had placed financial burdens.

An evaluation of the need for original enactment or subsequent extensions of the programs of Public Law 815 and Public Law 874 might have entailed an examination of the available resources of the affected school districts (including any potential revenue resources accruing to the communities as a result of the location of Federal, tax-exempt property) and the reasonableness of the tax effort they would have to make in order to meet the costs of providing and operating public school facilities. This may be regarded as an appropriate basis, frequently used, for determining the need for Federal assistance to local communities.

However, we know of no data, either as of the time of enactment of these laws nor as of any subsequent time, including the present, from which the need in such terms can be gaged. In addition, we know of no studies which have been made to measure the potential revenue resources which have become available to school districts entitled to assistance under Public Law 815 and Public Law 874 as a result of Federal activities and which tend to counterbalance any adverse effects on their fiscal capacity resulting from the tax immunity of Federal property.

Accordingly, data on the need in 1950 and the current need for the type of assistance provided by Public Law 815 and Public Law 874 is presented, in the material which follows, in terms of the concepts written into each law.

Public Laws 815 and 874 were enacted in 1950. These two programs were preceded by temporary legislation enacted from year to year from 1946 to 1950 to provide assistance for current operating expense of schools on a budget-balancing basis and previous to 1946 by the Lanham Act which was in operation during World War II. Assistance given for current operating expenses of schools under the Lanham Act was on a deficit-financing basis; that is, Federal funds were paid to each school district whose enrollments had been substantially increased by the children of military personnel or war production workers in an amount sufficient to operate a minimum educational program. Federal assistance was granted for construction and for operation of school facilities under this act only when failure to do so would impede the war effort. School facilities under the Lanham Act program were not constructed to provide normal capacity for the number of children in attendance, nor even to eliminate half-day sessions in many cases, but only in those situations where overcrowding was so great that the children could not be accommodated even on double shifts. No construction of school facilities was authorized from Federal funds from 1946 until Public Law 815 was passed in 1950. During this time the general shortage of materials had prevented a substantial amount of school construction by local educational agencies with local or State funds.

Thus, when Public Law 815 was enacted in 1950, there had accumulated a backlog of needed school construction dating from the beginning of World War II in 1941. Public Law 815 as first enacted authorized counting for payment all federally connected children who had come into the affected school districts for an 11-year period from 1941 through the end of 1952. This original authorization included not only A and B category children but also covered the so-called C category children, those children whose parents had come into an area to work in plants having defense contracts, and also the increased number of children whose parents were required in war-impacted areas to provide essential community services.

When Public Law 874 was first enacted, it not only included a provision for counting A category and B category children but also included a provision similar to that in Public Law 815 for those children who had come into the area to work in defense plants or community service occupations in aid and support of the war effort. The only limiting factor in Public Law 815 was that the increase counted for payment could not be greater than the total increase in attendance from 1941 to 1952. A similar limitation was placed on Public Law 874.

Under the above-stated circumstances, it is not surprising that during the first 2-year increase period covered by Public Law 815 (the 1951 and 1952 fiscal years) the number of federally connected children counted for payment on applications submitted to and approved by the Office of Education amounted to 54,000 A category children, 398,000 B category children, and 173,000 C category children (Federal contract-connected children), or a total of 625,000 federally connected children. During the same period Federal funds were allocated under section 204 (now sec. 10) for construction by the Federal Government of school facilities on Federal property for children living on Federal property in those situations where no local educational agency could provide suitable free public education for them. The Federal appropriations for Public Law 815 for the 1951, 1952, and 1953 fiscal years amounted to \$341 million, most of which was required to pay entitlements to school districts determined to be eligible during the first 2 years of the program. This in brief was the need when Public Laws 815 and 874 were first enacted.

#### CURRENT NEED FOR ASSISTANCE FOR SCHOOL CONSTRUCTION UNDER PUBLIC LAW 815

Table 1 attached shows the number of children counted for payment in each category of Federal impact including section 10 and section 14 by increase periods since Public Law 815 was enacted in 1950. It is to be noted that the number of children shown in this table represents an increase in school enrollment each 2-year increase period above total membership in the federally affected school districts in the year preceding the increase period. This table shows that, after the backlog of need was met in the 1951-52 increase period, there was a total increase of 328,000 federally connected children in the 1952-54 and 1954-56 increase periods, of which almost 30,000 were A category children, 248,000 B category children, and 50,000 C category children. Also, during this period it was necessary to construct schools on Federal property for over 11,000 additional children for providing free public education for the children residing thereon. The increase in the number of children in these federally operated schools has averaged more than 22 percent a year since 1958.

The remaining columns in table 3 show that there was an increase in the total average expenditure per pupil in the applicant school districts, from \$176 in 1951 to \$368 estimated for 1961. This is an increase of more than 200 percent in the 11-year period. The increase in the local contribution rate paid under Public Law 874, which is related largely to the expenditure per pupil from local revenue sources in generally comparable school districts, rose from \$106 in 1951 to \$223 in 1961 or approximately the same percentage as the total expenditure in the applicant school districts.

Table 4 presents information which accounts at least in part for the increased number of children counted for payment under Public Law 815 and Public Law 874. This table shows the number of different Federal properties and the acreage in those Federal properties claimed by applicants as the basis of their entitlements under section 3 of Public Law 874 for the 1952-53 school year through the 1950-60 school year. This table also shows the increase in the number of Federal properties and the acreage in those properties claimed from one year to the next.

In the 1952-53 school year, 2,034 different Federal properties were claimed and these properties contained over 62 million acres of land. The number of Federal properties and the acreage increased substantially by the 1953-54 school year when the definition of Federal property contained in Public Law 874 was changed to include federally owned property outleased to a private company. In addition to this change in definition of Federal property, there was one other minor change that added only nine very small properties and another change in the 1958-59 school year to eliminate as Federal property post office buildings under the control of the Post Office Department and used primarily for postal services which decreased the number of properties that could be counted as a basis of claims for assistance. For a variety of reasons the number of Federal prop-

erties as a basis for claims has increased each year, with a total increase in the number of properties between 1952 and 1960 of more than 135 percent; and the total acreage of Federal properties claimed has increased almost 400 percent during the same period.

Table 5<sup>1</sup> presents information showing actual and estimated expenditures for major national security, atomic energy, commerce, housing, space technology, and natural resources each year beginning with fiscal year 1959 and estimated expenditures for 1961 and 1962. These data show expenditures for major national security has averaged \$41 billion a year from fiscal year 1959 through fiscal year 1961 and estimated at \$42.8 billion for 1962. Expenditures for atomic energy average between \$2.5 and \$2.6 billion during the period while the expenditures for stockpiling and expansion of defense production are sharply curtailed in fiscal years 1961 and 1962. There is a slight reduction estimated in expenditures for commerce, housing, and space technology in fiscal year 1962 over fiscal year 1961 from \$3.7 to \$3.3 billion, while the estimated expenditures for natural resources are increased slightly during this period.

The expenditure of from \$47 to \$50 billion a year for the major items shown in this table results in a substantial amount of construction of buildings and other facilities on Federal property. Some new Federal properties are acquired for experiments and development in space technology, for domestic programs and for development of natural resources. These continuing Federal expenditures continue to generate financial burdens for many school districts in providing educational services for pupils for whom some part of the usual normal local tax base is absent. The problem Public Law 815 and Public Law 874 were designed to meet is thus clearly continuing.

An example is the Capehart housing program approved in 1955 for a total authorization of 145,000 family housing units for military personnel. As of the present time, a total of 71,233 of such housing projects have been completed and occupied, an additional 28,500 are under construction, plus 12,000 units in the developmental stage to be put under construction as rapidly as possible. All of these housing units will be constructed on Federal property, will be occupied by military personnel and they average 1.1 schoolchild per housing unit.

During the current school year, an estimated 219,000 children will be living on Federal property with a parent employed on Federal property and attending school in the adjacent communities. We can expect an increase of approximately 12,000 children living on Federal property with a parent employed on Federal property next school year for whom no school facilities will be available. The Federal responsibility for this category of Federal impact seems to have met general agreement. There will be an increase rather than a decrease in the number of such children in the year immediately ahead.

During the 1960-61 school year, there will be approximately 1,375,000 children, most of whom live in a taxable home and have a parent employed on Federal property attending school in federally affected school districts. It is expected to cost on the average from \$390 to \$410 to educate each of these children during the current year and this cost will increase substantially each of the next several years. There will be an estimated increase of around 40,000 children in this B category of Federal impact each of the next several years for whom no school facilities are available.

It would appear, then, that the problems to which these laws were originally addressed are for the most part continuing and persistent problems. The administration is therefore recommending that both Public Law 874 and Public Law 815 be put on a continuing basis with certain amendments.

---

<sup>1</sup> Source: Bureau data obtained from the budgets of the U.S. Government for the fiscal years ending June 30, 1961, and June 30, 1962.

TABLE 36.—Number of children counted for payment under various sections of Public Law 815, 1950–62<sup>1</sup>

Increase period	Sec. 5 number of children counted for payment				Sec. 10 number of pupils to be housed	Sec. 14 number of pupils to be housed	Average cost per pupil
	Sec. 5(a)(1)	Sec. 5(a)(2)	Sec. 5(a)(3)	Total			
1960–62.....	12, 066	42, 000	3, 000	57, 066	5, 171	3, 000	\$1, 260
1959–61.....	14, 600	42, 000	3, 000	59, 600	5, 400	2, 500	1, 240
1958–60.....	26, 662	56, 683	6, 409	89, 754	8, 845	4, 122	1, 230
1957–59.....	25, 181	57, 098	4, 084	86, 363	6, 985	2, 833	1, 220
1956–58.....	13, 806	114, 097	21, 813	149, 716	11, 335	6, 050	1, 210
1954–56.....	11, 194	120, 973	21, 078	153, 245	8, 792	17, 719	1, 180
1952–54.....	17, 921	127, 153	29, 794	175, 368	2, 607	8, 000	1, 120
1951–52.....	54, 552	398, 135	173, 965	626, 652	37, 341	-----	1, 100

<sup>1</sup> Data for 1961 and 1962 estimated.

TABLE 37.—Appropriations for Public Law 815, fiscal years 1951–61

Fiscal year:	Amount	Fiscal year—Continued	Amount
1951.....	\$96, 500, 000	1957.....	\$108, 500, 000
1952.....	50, 000, 000	1958.....	98, 650, 000
1953.....	195, 000, 000	1959.....	75, 400, 000
1954.....	125, 000, 000	1960.....	61, 135, 000
1955.....	118, 500, 000	1961.....	63, 392, 000
1956.....	33, 900, 000		

TABLE 38.—Increase in number of federally connected children in average daily attendance and costs per child in eligible school districts under Public Law 874, fiscal years 1951–62

Fiscal year	Number of federally connected children				Cost per child in average daily attendance			
	Educated by local agency <sup>1</sup>	Percent increase	Total cost paid by Federal Government <sup>2</sup>	Percent increase	Total cost in applicant district	Average local rate paid, Public Law 874 <sup>3</sup>	Percent local of total cost	Total cost paid, sec. 6 <sup>4</sup>
1951.....	436, 455	-----	( <sup>5</sup> )	-----	\$176. 76	\$106. 82	60. 4	( <sup>5</sup> )
1952.....	613, 203	40. 5	10, 581	-----	214. 80	113. 51	52. 8	\$259. 15
1953.....	743, 707	21. 3	11, 595	9. 6	233. 47	119. 99	51. 4	258. 81
1954.....	823, 070	10. 7	11, 744	1. 3	237. 89	142. 38	59. 9	231. 65
1955.....	874, 901	6. 3	15, 784	34. 4	241. 78	147. 10	60. 8	228. 33
1956.....	941, 897	7. 7	19, 701	24. 8	258. 02	154. 19	59. 8	241. 58
1957.....	1, 158, 702	23. 0	20, 401	3. 6	276. 58	171. 90	62. 2	255. 06
1958.....	1, 198, 569	3. 4	21, 229	4. 1	315. 25	181. 50	57. 6	267. 12
1959.....	1, 381, 205	15. 2	25, 819	21. 6	324. 63	192. 43	59. 3	277. 87
1960.....	1, 496, 299	8. 3	30, 082	16. 5	347. 16	208. 82	60. 2	302. 04
1961 (estimate).....	1, 578, 191	5. 5	38, 000	26. 3	368. 00	223. 87	60. 8	342. 10
1962 (estimate) <sup>6</sup> .....	1, 666, 663	5. 6	42, 000	10. 5	390. 00	241. 19	61. 8	357. 00

<sup>1</sup> Average daily attendance of children who reside on Federal property and/or with a parent employed on Federal property and for whose free public education Public Law 874 provides part or all of the local share of the cost.

<sup>2</sup> Average daily attendance of children who reside on Federal property but for whose education State and local revenues may not be expended and Public Law 874 provides the total cost.

<sup>3</sup> Local contribution rate for federally connected children in average daily attendance (sec. 3).

<sup>4</sup> Total cost per child in average daily attendance when no State and local funds are available (sec. 6).

<sup>5</sup> Funds not allocated on average daily attendance basis in 1951.

<sup>6</sup> Provided that the law is extended in present form.

TABLE 39.—Number of Federal properties and number of acres claimed by applicants under Public Law 874, as amended, fiscal years 1952–60

School year	Number of Federal properties	Number of acres connected with properties claimed	Increase in number of properties	Increase in number of acres
1952–53.....	2,034	62,255,663		
1953–54.....	2,706	105,622,064	672	43,366,401
1954–55.....	3,263	141,027,812	557	35,405,748
1955–56.....	3,537	149,732,257	274	8,704,445
1956–57.....	4,332	192,622,850	795	42,890,593
1957–58.....	4,590	184,360,492	258	–8,262,358
1958–59.....	4,598	224,573,418	18	40,212,926
1959–60.....	4,818	240,895,863	220	16,322,445
Total increase, 1952–60.....			2,784	178,640,200

<sup>1</sup> Claims from applicants reflected a more refined area of Federal property and a decrease in public housing holdings.  
<sup>2</sup> Change in law eliminating post office buildings under jurisdiction of Post Office Department.

TABLE 40.—Actual and estimated expenditures for national defense, commerce, housing, space technology, and natural resources, fiscal years 1959–62

[In millions]

	Budget expenditures <sup>1</sup>			
	Fiscal year 1959 actual	Fiscal year 1960 actual	Fiscal year 1961 estimated	Fiscal year 1962 estimated
A. Major national security:				
Military functions (present programs which include operation and maintenance, procurement, research development, test and evaluation, and construction).....	\$41,233	\$41,215	\$41,500	\$42,879
Atomic energy.....	2,541	2,623	2,660	2,680
Stockpiling and expansion of defense production....	312	180	70	52
B. Commerce, housing, and space technology.....	3,421	2,782	3,784	3,371
C. Natural resources.....	1,669	1,713	1,961	2,138

<sup>1</sup> Data obtained from the budgets of the U.S. Government for the fiscal years ending June 30, 1961, and June 30, 1962.

Senator METCALF. Thank you, Mr. Chairman.

Mr. BARKHURST. Thank you, Senator.

Senator MORSE. Now, Senator Metcalf, will you introduce Mr. Dean Lindahl?

Senator METCALF. My next witness is Mr. Lindahl, who is in charge of the administration of Public Laws 815 and 874 in the State Superintendent of Education's Office in the State of Montana, who is going to testify on some other phases of the impacted area legislation within Montana.

STATEMENT OF DEAN LINDAHL, STATE ADMINISTRATOR OF PUBLIC LAWS 815 AND 874, STATE DEPARTMENT OF PUBLIC INSTRUCTION, HELENA, MONT.

Mr. LINDAHL. Thank you, sir.

Mr. Chairman and members of the subcommittee, as Senator Metcalf said, I am Dean Lindahl, State Administrator of Public Laws 874 and 815, State Department of Public Instruction, Helena, Mont.

On behalf of the State Department of Public Instruction, I am grateful for this opportunity to present this testimony.



I wish to congratulate the committee for recommending that the parts of Public Laws 874 and 815 having to do with children whose parents live on but work off and/or live off but work on Federal property to be made permanent. However, the reduction in Federal payment per child from the 50 percent of the district's local contribution rate to 25 percent of the district's local contribution rate would have a far-reaching and disastrous effect on the financing of the federally impacted schools in Montana.

This program over the past 10 years has made it possible in Montana for school districts, some of them small, poor and in isolated areas with very little taxable land, to provide equal educational opportunity for children brought into Montana under Federal activities. This program has helped to provide a better educational program for the Indian children living on or near their reservations. We have had problems arise in Montana in schools providing education for Indian youth with respect to the use of Public Law 874 funds. This was a result of our Montana State law and the official opinions of the Attorney General. I feel confident that these problems can be alleviated with the bills passed by our 1961 legislature and now awaiting the Governor's signature.

Under the provisions of Public Law 874 as amended, 63 Montana school districts are currently receiving Federal assistance to relieve the additional burden of increased maintenance and operation costs caused by Federal impact. With the exception of the districts located on or near Indian reservations and educating Indian youth whose parents live on or work on Federal property, the majority of the pupils live in the area of air bases such as Glasgow Air Force Base and Malmstrom Air Force Base, Bureau of Reclamation projects, Forest Service activities, radar sites, and missile sites.

Most of the personnel employed in these activities do not live on Federal property. As I mentioned before, we now have 63 eligible districts under the present program. The missile site contract recently let in Montana to construct 150 missile sites will increase the number of applicant districts to an estimated 88. The children of parents employed in connection with this defense program will be the B category, live off and work on Federal property.

For the fiscal year 1960, Montana had 4,036 B category pupils and the school districts received \$478,681.

It is estimated that the defense program will bring another 2,000 to 3,500 school age children to Montana, making an estimated total of 6,000 to 7,500 B category pupils in our schools. The amount of money that Montana has received each year for the B category pupils has not been large, but it has been tremendous especially in those districts in which there is a large percentage of tax-exempt land.

During the past 9 years under Public Law 815, 53 Montana school districts have received over \$7 million to assist with the cost of school construction made necessary by Federal activity impact.

At the present time there are more than 25 schools in various stages of construction in which Federal funds were partially or wholly involved.

These schools have been conducted on or near reservations to provide facilities for the education of Indian youth, and in areas located near our Air Force bases, radar bases, forest services and reclamation



projects. The recommendation to extend section 14 of Public Law 815 for 5 additional years is worthy of praise. In our State we have tried to meet at least in part the problem of unhoused Indian youth. However, we feel we have much yet to do. The Office of Education has been strict in the administration of Public Laws 874 and 815; however, I have always found the Office to be fair and just in their decisions.

Senator MORSE. I want to thank you very much, Mr. Lindahl. I have no questions to ask, sir, about your statement. I will only ask the gentleman from the Department of Health, Education, and Welfare to take note of your testimony and also I think in fairness to the administration, it should be kept in mind, and I hope those drafting the memorandum that I have asked to be drafted will take note of it, that we also need to find out—this has no reference to Montana, but to the country as a whole—we need to find out to the extent that we can evaluate it, what increase in private property values the installation has produced.

Again, with no reference to Montana but to this problem across the country, we all know the great competition which exists among our States and subdivisions of States for the location of Federal projects. We know that prior to the location of Federal projects of all the inducements which local groups might offer. Local people realize the economic value of bringing into their area increased population. They also know the economic value of the new businesses and new industries which flock to the newly built installation. In fairness, I will refer to my own State.

There is no question about the fact that the building in my own State, for instance, of a great Federal dam, has been one of great aid to the economic welfare of the State. It has brought to Oregon businesses and industries which otherwise never would have been there.

I haven't any doubt, although we are certainly federally impacted, that during the war which although it no longer goes on, leaves us with some backwash problems as a result, economically speaking, but what the Kaiser Shipyards in Portland brought a great economic boom in one sense to the area. I will try to be completely fair about this.

I think this subcommittee in performing its job has to be in a position to evaluate the economic benefits tax-wise that have come to an area as a result of a Federal installation, even though the installation itself is tax exempt. I want to keep a balanced record here so that we can again, as I said in connection with another matter earlier—I can honestly report to the Senate when I get through with the hearings that I did my level best to get all points of view into this record.

I thank you very much, Senator.

Do you have anything further?

Senator METCALF. Thank you very much, Mr. Chairman.

Mr. LINDAHL. Thank you.

Senator MORSE. Our next witness is Mr. Clarence Mitchell, director of the National Association for the Advancement of Colored People.

I think Mr. Mitchell knows that I am always very pleased to have him before a committee. I am particularly pleased to have him here this morning because I know the responsibilities of the job he has before him, and I want to give him adequate time to present his case.

The witness knows the present position of the thinking of the chairman of the subcommittee. I have always been most frank with the

witness. As I said the other day, I yield to no one in the Senate in my support of civil rights legislation. I haven't always agreed with the witness as to what civil rights legislation ought to be passed, probably will not in this instance, but this record is before him and I want him to make his case and I want him to make his case irrespective of the views of this chairman.

I happen to be one who can take it as well as give it. I want you to make the record, but you know my present position. I don't expect to change it; even though the witness is a very persuasive man, I don't expect to change it. I do not think anything which could be called a civil rights amendment should be added to this bill. As I announced the other day, I stand ready and willing to fight just as hard as I can for amendments to existing civil rights laws. I think those laws are the place for the amendments. However, I respect differences in point of view, and this witness may be sure I am going to respect his difference in point of view if he has one, as I suspect he has.

The floor is yours.

**STATEMENT OF CLARENCE MITCHELL, DIRECTOR, WASHINGTON BUREAU, NATIONAL ASSOCIATION FOR THE ADVANCEMENT OF COLORED PEOPLE**

Mr. MITCHELL. I would say, Mr. Chairman, that suspicion is well founded, and I also would like to say that the record certainly ought to show that this witness has a respect and admiration for the Senator from Oregon that goes back beyond the period when he was a Member of the U.S. Senate. The Senator from Oregon has always stood for fairplay and for championship of the rights of the underdog as long as I can remember.

I am happy to say that I am on record in the Senator's State before his friends and before his critics as expressing my admiration for him and my belief that he is a real champion of the rights of man.

Senator MORSE. I have appreciated the statements you made to my State. I want to thank you for them.

Mr. MITCHELL. Mr. Chairman and members of the subcommittee, I wish to thank you for this opportunity to appear and present testimony on behalf of the National Association for the Advancement of Colored People.

I offer for the record copies of correspondence with the Department of Health, Education, and Welfare on the question of protecting children of military personnel against racial segregation in Southern public schools. I would also like to offer a copy of our 1960 convention resolution supporting the principle that antisegregation safeguards should be included in Federal aid to education bills.

I would like to identify those——

Senator MORSE. The copies of the correspondence and the resolution will be printed in the record immediately following your testimony. (See p. 437.)

Mr. MITCHELL. Thank you, Mr. Chairman, and by way of identification, I would like to say that the first item in the material dealing with the Department of Health, Education, and Welfare is a telegram of August 29, 1960, addressed to Mr. Flemming who was at that time

the Secretary, calling his attention to the fact that colored children in Prince George County, Va., at Camp Lee, are forced to attend segregated schools, and those schools are financed by the Federal Government out of the funds made available under Public Laws 815 and 874.

This, of course, is a problem that is nationwide. We undertook to get administrative correction of this problem. I might say that the preceding witness or witnesses here who were accompanied by Senator Metcalf of Montana—as a Member of the House, Senator Metcalf undertook to get the Department of Health, Education, and Welfare to adopt an administrative policy which would insure that children are not segregated in schools which receive Federal assistance. The best answer to the fruitlessness of trying to get administrative correction is contained in this correspondence which I submit.

Mr. Flemming was a man of great ability as all of us know. I think he made an attempt to look at this problem from our point of view, but he reached the conclusion that there was nothing that the executive branch of Government could do to correct this problem, even though it affects children who are in the areas where they are exposed to segregation solely because their parents are on duty as persons assigned the task of helping to protect the Government of the United States against our foreign foes.

There is also, as I indicated, a statement of our convention resolution attached to this material. I think it important to note that because it is sometimes contended that the colored people of the United States would rather have segregated education than no education. Therefore, we should never do anything which might jeopardize or seem to jeopardize the passage of legislation which extends aid to schools. Our convention is made up of people who come from all over the country. Our resolutions committee is made up of a cross section of that convention. They meet very diligently and debate these issues. They do not pass them in a perfunctory way. Therefore, this resolution which calls for the inclusion of an antisegregation amendment is the considered judgment of what I respectfully submit is one of the most representative bodies of colored opinion in the United States.

It may be that there are people who are colored who would say they would rather have an education bill even if it means continuation of segregation. I do not know how representative they would be, but I do submit that this is a valuable and truly representative view of a great majority of the people of this country.

I would like to say also, Mr. Chairman, that I am not approaching this from the academic point of view of not having had personal experience with these people. I have talked with the people in Clarendon County, S.C. I have talked with the people of Prince Edward County, Va. I know the citizens of Louisiana and Georgia and the other Southern States. I am certain as a matter of self-respect they want to see Federal aid to education, but they want to see it without the shame of assisting segregation attached to it. They would like to see positive safeguards against segregation.

The opponents of this amendment usually assert that its inclusion will kill the bill. Boiled down to its bare bones, their argument is an attempt to persuade the colored citizens of our country to forget that the U.S. Supreme Court has declared that racial segregation in public schools is unconstitutional. We are asked to step aside and to look in the other direction while millions of tax dollars are used to under-

write the building and operation of public schools that everyone knows will be segregated on the basis of race.

Speaking on the basis of 20 years of experience in Washington, I do not know of any other group of American citizens who have been asked to submit to similar humiliation from the National Government.

On the practical vote-counting side of this matter, I believe that the following observations based on the 1960 experience in the House are important:

1. There were 83 northern Republicans and nonsouthern Democrats who voted against the Powell amendment but voted for the bill on final passage. If all of the nonsouthern Democrats and Republicans who voted on final passage had voted for the amendment in the first instance, the amendment would have been adopted without the votes of those who supported the amendment, but voted against the bill on final passage.

2. There is a contention that the Powell amendment causes southerners who are in favor of Federal aid to education to vote against the bill. The House had an opportunity to test this when Representative Carroll Kearns, Republican of Pennsylvania, made a motion to recommit the bill and report out the administration's bill which did not contain the Powell amendment. Only 12 southern Democrats voted to recommit the bill and have it returned to the floor without the Powell amendment.

3. It is contended that when the antisegregation amendment is up for a vote, southern Members walk off the floor in order that the amendment may prevail and then return to kill the entire bill.

I respectfully ask, Mr. Chairman, that the chart and the footnote be incorporated with my statement.

Senator MORSE. The chart and the footnote will be incorporated at this point in the record.

(The chart referred to follows:)

TABLE 41.—Vote of Southern States on Powell amendment and on final passage of school construction amendment<sup>1</sup>

	Total Members	Against amend- ment	Paired against	Not voting	Against bill on final passage	Paired against
Total.....	95	84	9	2	84	5
Alabama.....	9	9	0	0	9	0
Arkansas.....	6	5	1	0	5	1
Florida.....	8	8	0	0	8	0
Georgia.....	10	10	0	0	10	0
Louisiana.....	8	4	4	0	4	2
Mississippi.....	6	6	0	0	6	0
North Carolina.....	10	6	3	1	7	0
South Carolina.....	6	6	0	0	6	0
Texas.....	22	21	0	1	20	1
Virginia.....	10	9	1	0	9	1

<sup>1</sup> On final passage of the bill, 2 of the Louisiana Members did not vote. North Carolina had 11 seats and 1 vacancy. 1 North Carolina Member did not vote on the Powell amendment and 3 other Members of the State delegation did not vote on final passage. Speaker Rayburn of Texas did not vote on the bill or the amendment. The vote on final passage was 206 to 189. It could be argued, of course, that if the 5 absent southern Members had voted the total would have been different. That is true. If the 5 had voted the bill would have passed 206 to 194.

Mr. MITCHELL. It would be possible to present an awesome list of happenings which prove that those who would be entrusted with the expenditure of Federal funds in certain States do not have the slightest intention of using such money to promote the education of all children. To offer such a list would be an insult to the intelligence of those who read the daily newspapers.

I would like to say, Mr. Chairman, that I know that you gentlemen who are here, you, as chairman, the Senator from New York, the Senator from Texas, the Senator from Pennsylvania, are all fully aware of the things that are happening in our country today in areas where there is opposition to desegregation of public schools. It is for that reason I wouldn't attempt to bore you and I notice that the Senator from West Virginia has just come in.

I might say, I was saying, Senator, that I wouldn't attempt to bore you gentlemen with a recitation of events that are occurring in areas where we are attempting to desegregate schools, because I know you read the newspapers and I know you are fully aware of that problem.

Senator RANDOLPH. I wish to say, since Mr. Mitchell has mentioned this problem, that certainly it is a problem in areas of the country, but in West Virginia we have had no problem. We have had, we say, difficulties. I think that they are understandable, but there has been no problem in West Virginia in connection with the attendance of white children and colored children in the same school.

Mr. MITCHELL. I would like to say, Senator, that if the courage and vision of the West Virginia officials and the officials of some of the other States had been used, or would be used in some areas where we are having trouble, we wouldn't have any difficulty there, either, because I don't believe there is any fundamental difference between people of the United States, whether they live in Mississippi or New York. I think leadership has a great deal to do with the extent to which people comply with the law.

Governors are busy issuing flaming statements of defiance, State legislatures are cluttering the statute books and courts with unconstitutional laws and mobs are chasing white parents out of town in New Orleans just because two public schools have been opened to a handful of colored children. All of this represents action that the States promote or at least tolerate. In addition, the Federal Government is busily extending racial segregation in schools through the Department of Health, Education, and Welfare under the defense impacted area program.

A particularly flagrant example may be found at the Redstone Arsenal in Alabama. There the Federal Government transferred to the Huntsville school district 21 acres of land to be used for a segregated elementary school for the children of military personnel.

I would like to say, Mr. Chairman, that I undertook to get from the Department of Defense yesterday the present status of that matter, because it is my understanding that the school has been built and that it is now operating on a strictly segregated basis. I understand that the children of any of the constituents from you gentlemen who come from areas where the schools are not segregated, if they live at Huntsville, in that area, they must go to segregated schools.

I regret to say that the Defense Department was awfully fuzzy on giving out information. I even called down to Redstone. They said they didn't know what was the picture there, and promised to call me back. They have never called back as yet.

Senator MORSE. May I interrupt the witness for a moment? The Chair requests Mr. Lee of the subcommittee staff to procure for the use of the chairman and any other member of the subcommittee who may wish to refer to it, a memorandum report in regard to what the facts are at Redstone Arsenal in Alabama, in the light of the

testimony just given by this witness. It seems to me that the chairman clearly announced his policy earlier this morning to see to it that all points of view were made a part of the record in this hearing. It is essential, therefore, that the Chair, in view of these allegations of the witness, receive a report from the Defense Department in regard to its policy.

Mr. MITCHELL. I am very grateful to the chairman, and I would respectfully like to ask if he would also ask the Defense Department to indicate the other areas of the country where they have a similar arrangement, because they are very numerous.

Senator MORSE. Yes. The chairman would like to have included in the memorandum a statement from the Defense Department as to what areas, in connection with Federal installations, the policy of segregation is followed.

Mr. MITCHELL. At this installation and many other similar military posts in the South, children whose parents are citizens of Northern States are forced to accept segregation in public schools. This is especially ironic because these children would not be in the South if their fathers were not wearing the uniform of their country and standing ready to defend it against attacks from all foreign enemies.

In conclusion, Mr. Chairman and members of the subcommittee, we respectfully urge that any bill or bills reported favorably for aid to primary and secondary schools and aid to defense impacted areas include an antisegregation amendment.

Thank you.

Senator MORSE. The Chair wishes to say to you Mr. Mitchell, that, as usual, you present a very able and persuasive case. I have the highest of respect for the position that you have taken, and nothing but commendation for the dedicated service that you are rendering, not the colored people of America, but all the people of America.

Mr. MITCHELL. Thank you, Mr. Chairman.

Senator MORSE. I think the insistence that you place upon the guarantee of full constitutional rights for all people, irrespective of the color of their skin, is a service to all Americans.

I always face up to the facts as I find them. I am always willing to change my view when the facts warrant a change in my view. I think you should know, as I said at the beginning of your testimony, that it is my judgment that as a matter of promoting the best educational interests, in carrying out the old Benthamite theory of the greatest good for the greatest number in connection with this specific problem, that I should work as hard as I can for the passage of the administration's bill without a civil rights amendment added to it.

This does not mean, and I know it will be misunderstood by some, this does not mean that I am not an enthusiastic supporter of amendments to the existing civil rights law. I am. I intend to offer such amendments along with some of my colleagues, some of whom serve on this subcommittee, to the civil rights law later in this session of Congress. On the basis of the record made to date, Mr. Mitchell, I think I would be less than honest with you, if I didn't say I think it is my clear responsibility to seek to carry this bill through the Senate without the civil rights amendment attached to it. There is one reason for my position which I think, at the present time, is unanswerable.



I indicated the other day I am not a mathematician, but I can count congressional noses. I do not think, contrary to your opinion, that there is any chance of passing the administration bill with the civil rights amendment added to it. I think that failure would be most unfortunate, because our real need, in my judgment, is to get the principle of Federal aid to elementary and secondary education on the statute books of this country. We can then proceed, in independent legislation, to see to it that our educational program is carried out in accordance with the constitutional rights of all citizens.

This brings us to the question of the enforcement of the U.S. Supreme Court decisions. Enforcement procedure and policy ought to be clearly set out in separate independent legislation, because such legislation covers many facets of the civil rights problem which goes beyond the problem of education. I want an enforcement policy in independent legislation which covers the whole gamut of our civil rights enforcement problem.

Now, as far as I am concerned, we have an honest and sincere difference of opinion in regard to the legislative procedures which ought to be followed to accomplish the same end.

I respect your point of view. I trust, as I think I have a right to, that you and others in your group will at least give me credit for a sincere and honest difference of opinion with you as to the policy which ought to be followed in this instance.

Mr. MITCHELL. I certainly do, Mr. Chairman.

I would just like to call to the chairman's attention two things in connection with what he has said.

First, you will remember that when the 1960 civil rights proposals were made by the previous administration, they contained certain provisions which were supposed to give endorsement to the Supreme Court decision in the school desegregation cases. They also contained a provision which requires that there be criminal sanction against those who interfere with court orders in school desegregation cases. There was also a provision that where the educational system breaks down because of desegregation and the schools are closed, the administration would undertake through the executive branch to make education available.

It so happens that the first proposal which would have supported the Supreme Court decision was struck out of the bill and it was struck out by those who advanced the constitutional argument that there was no need to include this provision, because the Supreme Court decision spoke for itself and there was no need to set the precedent of congressional endorsement of Supreme Court decisions.

The next thing that happened had to do with the question of criminal enforcement. That provision was revised but it was included in the bill and is now the law.

There was also a very modified version passed of what the Government would do when the schools were closed because of a desegregation arrangement. So far not a single effort has been made in the executive branch of the Government to enforce the criminal provision of that new statute. There has been a conscious administrative decision under both administrations not to enforce that criminal provision, although, as I indicated in my testimony, people are being chased out of town just because they want to try to obey the Supreme Court decision.



Also, as the correspondence with the Secretary of Health, Education, and Welfare will reveal, they are—I shouldn't say "they"; I should say the executive branch of the Government so far has taken a very narrow and restricted view of that provision in the legislation, so that it really does not offer much help.

The final thing I would like to say is that I have made a good attempt to present some statistics to support my view that if we follow the chairman's suggestion of counting noses as we reached the conclusion, it is possible to pass a bill in the House of Representatives certainly with this amendment in it. I think that those who say a bill cannot be passed with this amendment in it because they have made a count ought to come up with some kind of indication of why that is so because I don't reach the same conclusions.

Senator CLARK. Mr. Chairman, will the Senator yield?

Senator MORSE. Yes. I am willing to yield.

Senator CLARK. I am very interested in what you say, Mr. Mitchell. I think you know my strong views are in accord with yours as to the ultimate object we have got to achieve and achieve quickly. How do you answer the argument which has been persuasive to me that since the Senate by vote of 50 to 46, which I think was a catastrophe, was unwilling to change its rule, any such amendment as you propose could be subject to an unbreakable filibuster of the Senate?

Mr. MITCHELL. Well, I say in all clarity and with great reluctance that on the basis of my experience around here in Washington, Senator Clark, the filibuster and the fact that the rules aren't changed are really a smoke screen in the obstruction of civil rights. I say with great regret that it is my conclusion that the real problem that we face in the Senate of the United States and in the House of Representatives is that there are just not enough people who believe that colored citizens are entitled to equal treatment under law.

Senator CLARK. Well, I think you are quite right. But my view has been, and I would like your candid comment on it—don't pull any punches, I want to know what you really think; you always tell what you think—my view has been that we have probably got anywhere from 55 to 60 votes for an education bill in the Senate which would contain the Powell amendment, but we haven't got 67. And since it takes 67 to break the filibuster and since the opposition is determined and since they have one-third plus 1 on their side, I despair of breaking the filibuster.

Now tell me where I am wrong.

Mr. MITCHELL. Well, I would say, Senator Clark, I sat through every minute of the round-the-clock filibustering last year.

Senator CLARK. Most of which was phony; wouldn't you agree?

Mr. MITCHELL. That is what I was getting ready to say. I sat through many filibusters. I heard the very monumental filibuster that the Senator from South Carolina offered in 1957 which was all night long and up until the following evening, and much of that time or part of it you were presiding in the Chair.

Senator CLARK. Seven hours, from midnight to 7 a.m.

Mr. MITCHELL. I am also aware of the fact that when the U.S. Senate wants to move, it can move regardless of what the opposition may be. I have seen the Senator from Oregon make heroic efforts to stop legislation that he knew was wrong and did not believe was good for the country, but in the end I have seen the opposition over-

ride the Senator from Oregon and I know that the leadership on both sides whenever it has a mind to do so can pass any bill in the U.S. Senate.

Therefore, I say that the statement on the filibuster and failure to change rules is certainly an argument, but it is not the whole argument. It seems to me the real problem is that there just is not a disposition to face up to these issues and pass the necessary legislation to protect human rights.

Senator CLARK. This may well be right. Of course, I don't want to get into an argument with you because I know that you sincerely believe what you have just said. I am reluctantly compelled for the time being, at least, to disagree with it. I point out that to my distinguished friend from Oregon, although he was probably right on the occasions you point out, he never had one-third plus one with him.

Senator MORSE. You can say that again.

Senator JAVITS. Mr. Chairman, on this point, will you yield?

Mr. Mitchell, wouldn't your view be somewhat modified from what it is—incidentally, I can't see how any Senator or any citizen can listen to you without bleeding for the moral state in our country which allows this to continue.

Would your view be different if the administration were passing with the same vigor for legislation along the lines that you described which would satisfy this question as it is for the school bill?

Mr. MITCHELL. I will say, Senator Javits, that I think I am representing the view of all membership when I say that we believe the question of Federal protection against segregation in the use of grants is a question that is entitled to treatment in its own right. Therefore, I certainly would hope the administration will press for civil rights. I am sorry to see they are not. But I don't believe that pressing for a substantive civil rights bill would make it unnecessary to seek this amendment.

I believe that you will recall that you made a great effort to protect American citizens traveling in our own country when they go into Federal airports. It was necessary for you to make that effort because the legislation giving grants for airport construction does not contain any kind of safeguard against segregation. The previous administration, and so far as I know, the current administration, followed a policy of letting the States get Federal money to build the airports. They can't spend the Federal money to build segregated facilities, but they can spend State money to do it so they accomplish the same purpose.

Therefore, I would say it is my opinion based on experience with these grants in aid programs that we need protection in them. This applies to schools, airports, housing, and all other kinds of legislation.

Senator JAVITS. Now, it is a fact, is it not, that in the National Defense Educational Act there is no antisegregation amendment? Is that correct?

Mr. MITCHELL. There is not.

Senator JAVITS. It is a fact also that we got a letter, a number of us participating—the Senator from Oregon, the Senator from Pennsylvania, a number of others of us who participated in getting a letter from the Department of Health, Education, and Welfare, expressing the executive policy which would be carried out in the administering of that money.

Now, my question is this: Is it a fact, therefore, that if similar executive department assurances were available in respect of the disbursement of these funds, that that might obviate the need for a Powell-type amendment?

Mr. MITCHELL. I don't believe it would be as good as a congressional assurance, and the reason I say that is based on the material that I have submitted to the committee. It is contained in the letter of November 8, 1960, submitted to us by—I would correct that. It is a letter we received from Secretary Flemming in response to the letter we had written him on November 8, 1960. In his letter the Secretary takes the position that where Congress has not spelled it out its intention to require that funds be given only to schools that operate on a desegregated basis, the executive branch does not believe it has the power to assert that policy.

I would assume that this is still the principle that the present administration is following because the Secretary of Health, Education, and Welfare, Mr. Ribicoff, in a press conference said that he didn't see how they would have any power to withhold funds, and I don't know of any intention on their part to do this.

Senator JAVITS. Well, you used the word "power" in a legal sense as a lawyer or in a layman's sense.

Mr. MITCHELL. Well, I am using it in the sense of quoting the officials who are responsible for the administering of the program and they in turn had based their statements on the advice of their lawyers.

Senator JAVITS. Have you introduced that letter into the record?

Mr. MITCHELL. Yes; I have.

Senator JAVITS. You will or you have?

Mr. MITCHELL. I have.

Senator JAVITS. You have already done it?

Mr. MITCHELL. I will be glad to give you a copy of it if you want me to.

Senator JAVITS. That is all right. I just wanted to be sure it was before us. (See p. 437.)

So you don't feel, Mr. Mitchell, that executive action could be taken effectively in respect of this question, and so the only recourse you see is an amendment.

Mr. MITCHELL. I would say that we haven't any experience which shows that there would be effective executive action. I would hope that effective executive action could be taken, but since we have been asking for it right straight along and we have never gotten it, since also the opinions we have gotten assert the position that the executive branch will not act unless Congress acts, it seems to me that it is time to break the circle and if Congress would act, this would settle the problem.

Senator JAVITS. So that your point before us is compounded, therefore, of the fact that the executive—you have no confidence because of their expression of opinion on the question of authority—that the executive branch will act. There is no legislation being pressed equally for civil rights. And you do not believe that including an amendment would kill the bill; for all those reasons you press for an amendment.

Mr. MITCHELL. That is correct, yes, sir.

Senator JAVITS. Thank you.

Senator MORSE. The Senator from Texas?

Senator YARBOROUGH. No questions, thank you, Mr. Chairman.

Senator MORSE. Are there questions from the Senator from New York?

Senator JAVITS. Well, I think, Mr. Chairman, through the graciousness of the Chair, I have asked the questions that I wanted to ask.

I would say to you, Mr. Mitchell, if I may just make a brief comment on this, that you have touched one of the most difficult problems in connection with the bill for people like myself. We are really torn in this matter, those of us who favor Federal aid to education and those of us who are deeply exercised by what we know to be the denial of equal opportunities for education.

For myself, I would say that I am appalled by the failure of the administration to face up to the need for civil rights legislation in the school desegregation field. And if one were so minded, it would almost be proper to be opposed to the administration's programs because of its dereliction in this field.

But one can't be vindictive and be a legislator, and I would not do that.

And finally I will read with great care what you have just put in the record. I do not see why the executive department cannot, if it has authority to distribute funds, distribute those funds only in accordance with the law and policy of the United States.

For example, I cannot see how the executive department could distribute funds to a school district which was in defiance of an order of the court requiring it to be segregated. It would seem to me that that would be an abuse of the separation of powers, the executive being equally required to sustain the legislative arm and the judicial arm.

But I shall go over this very carefully, and I certainly will tell you as a Senator that I am not going to vote for an education bill until I am fully satisfied in my own conscience that the preponderance of the national interest absolutely demands it in terms of the sacrifice which is being talked about so widely by men who are just as devoted as I am to civil rights.

Nobody, I will say myself before anybody else says it, no one is more devoted to civil rights than Senator Clark, Senator Morse, or any of a number of their colleagues, Senator Jennings Randolph, who have shown it in a thousand battles. So you are not dealing with people who are anything but most sympathetic and most active in this whole struggle, and this gives us even more pause because obviously these men whose minds are entitled to the greatest respect on this subject feel that you have got to make that—you have got to do the educational thing now, regardless.

Thank you, Mr. Chairman.

Mr. MITCHELL. Thank you, Senator.

Senator MORSE. Mr. Mitchell, may I say, commenting upon Senator Javits' observations, I am going to do everything I can to keep him on my team, because I agree with him so completely on almost every position he takes in the field of civil rights, and as the record shows on many, many other issues.

I understand his concern. I recognize his desire to proceed more rapidly with the consideration of civil rights legislation as such. I only want to say this in defense of the President, that I plead with Senator Javits and others, give the President some time. He is only human and as a human being he can only do so much in 24 hours of the day. He has made it perfectly clear, and Secretary Ribicoff the other day sustained it, too, that he was giving a thorough analysis to this whole matter of civil rights.

I cannot speak for the President and don't purport to in what I now say, but I want to say that, in my judgment, I am perfectly satisfied that careful consideration of these problems is being given in the Department of Justice, the Department of Defense, the Department of Health, Education, and Welfare.

I do not think that we, however, should take the position that because the timetable does not include civil rights legislation ahead of Federal aid to education legislation, that therefore we should do nothing. To the contrary, I want to say to my good friend from New York that we have an opportunity, I think, to advance the cause. We are trying to plan this legislation on the books without civil rights legislation added to it just as the Senator, although he is a firm believer in civil rights, has not added civil rights sections to the Cooper-Javits bill.

There is no amendment added to the Cooper-Javits bill as there is none in the Kennedy bill. I am on bended knee, figuratively speaking, to the Senator from New York to give us time to tackle the civil rights legislation. I give him my word I am going to tackle it by offering specific civil rights legislation in the next few weeks, and I will be very much surprised if that effort isn't supported by the administration.

What I have said is in no criticism of the Senator from New York at all; rather it is a plea.

Mr. MITCHELL. Mr. Chairman, you have been very patient and I don't want to take advantage of your time, but I don't want the record to be barren of my comments on this discussion.

I feel that human rights deserve consideration right at the top of the list. I think the President had a similar point of view when he was campaigning. I think this question is just as urgent now as it was when we were engaged in the election.

I am appalled that the administration has come out with a 16 point "must" program and it doesn't contain any civil rights legislation. It is especially troublesome when you remember that even as we are sitting here today, down in South Carolina 192 young people, college students, high school students, clergymen, are on trial and being sentenced for breach of the peace, fined \$50, given 30-day jail terms, and if they are over 21, they are also being charged with contributing to the delinquency of minors because they urged children to participate in a protest parade.

On the contributing to delinquency of a minor charges, they are being released on bail of \$2,500.

Now, these are not criminals. These are not thugs. These are respectable American citizens who have just asserted the right of free speech and in a sovereign State, the whole power of the State is being used to intimidate and oppress them.

I think this may not be any more important than aid to depressed areas or some of the other legislation, but I think it is as important as those.

Senator MORSE. I understand and respect your point of view.

Senator JAVITS. Mr. Chairman, may I just ask for myself. I think that what is happening here is that there is appeasement of the people, of the legislators who are opposed to civil rights.

Appeasement is not going to work in respect of any of these great welfare measures any more than it works in international affairs. That has happened on the rule 22 fight. The President did not inter-

cede in the rule 22 fight; he did intercede in the House rule fight. It is happening now and the failure which I think is inexcusable is to include civil rights in the must list of the 16 bills.

I say this because I think I have a right to say it. I think there has been no one on the Republican side who has been less partisan than I in respect of the President's program, and I intend to help in every way, because if he is successful, the country is successful.

But I do not believe that there is any excusing this situation. I think that it is appeasement, and I don't think it is going to work. And I think that is really what the witness is trying to point out, Mr. Chairman.

But nevertheless, as I say, I have not in my own mind concluded a final position on it, and I deeply appreciate and am the first to say, that the views of my chairman and my other colleagues are entitled to just as much weight as mine. They could be right and I could be wrong, but I would be less than frank if I didn't express the depth of my conviction upon this subject.

Senator MORSE. Well said, my friend from New York; it is an interesting experience for me to be on the receiving end instead of the giving end, when it comes to the matter of Executive policy.

I shall see to it that the President's attention is called to it.

Senator JAVITS. Thank you.

Senator MORSE. I call on the Senator from Pennsylvania.

Senator CLARK. I have no questions, Mr. Chairman, but I join in the comment you have just made.

Senator MORSE. Thank you very much, Mr. Mitchell. You have been very helpful as always.

Mr. MITCHELL. Thank you.

(The documents submitted by the witness for the record follow:.)

[Telegram]

AUGUST 29, 1960.

HON. ARTHUR S. FLEMMING,  
*Secretary, Department of Health, Education, and Welfare,*  
*Washington, D.C.:*

As stated in my recent telephone conversation with you, a group of colored citizens in Prince George County, Va., have asked help on a matter of racial discrimination in public schools. We are advised that white children of military personnel at Fort Lee are educated at the Prince George County High School, which was built several years ago with Federal funds. Colored children of military personnel are barred from this school because of their race. A new elementary school, also, built with Federal assistance is scheduled to open in September 1960. It is also for white only. We urge action that will permit all children, otherwise qualified, to attend these schools without regard to race. This, of course, would be in conformity with the requirements of the Civil Rights Act of 1960.

CLARENCE MITCHELL,  
*Director, Washington Bureau, NAACP.*

NOVEMBER 8, 1960.

HON. ARTHUR S. FLEMMING,  
*Secretary, Department of Health, Education, and Welfare,*  
*Washington, D.C.*

DEAR DR. FLEMMING: This is in further reference to my telegram of August 29, 1960, and telephone conversation with you about the problem of racial segregation in public schools serving children of military personnel.

The U.S. Commissioner of Education is authorized, under the impacted-area education program, to make arrangements under certain circumstances for free public education of children who reside on Federal property and for children of members of the Armed Forces on active duty.



Public Law 874, 81st Congress, provides:

"In the case of children who reside on Federal property. \* \* \* \*

"(2) if it is the judgment of the Commissioner, after he has consulted with the appropriate State educational agency that no local educational agency is able to provide suitable free public education for such children, "the Commissioner shall make such arrangements (other than arrangements with respect to the acquisition of land, the erection of facilities, interest, or debt service) as may be necessary to provide free public education for such children." 20 United States Code 241(a).

The Civil Rights Act of 1960 authorized the Commissioner to make such arrangements for children of members of the Armed Forces on active duty:

"If the schools in which free public education is usually provided for such children are made unavailable to them as a result of official action by State or local governmental authority and it is the judgment of the Commissioner, after he has consulted with the appropriate State educational agency that no local educational agency is able to provide suitable free public education for such children." Public Law 86-449, section 501 (1960).

Under Public Law 874, as amended, the Commissioner is authorized to make these arrangements when suitable free public education is not available. The question arises, therefore, whether education under racially segregate conditions is suitable. Agencies of the executive branch of the Federal Government, acting under the direction of the President, even before the Supreme Court's ruling on the constitutionality of segregation in the field of public education determined that such conditions were not suitable.

With respect to the operation of schools on military posts under Public Law 874, the Secretary of Defense, in a memorandum to the Secretaries of Army, Navy, and Air Force on January 12, 1954, ordered that no new schools should be opened on a segregated basis on military posts and all existing schools should cease operating on a segregated basis no later than September 1, 1955. (Memorandum, Secretary of Defense, January 12, 1954).

The Department of Health, Education, and Welfare concurred in this policy of the Secretary of Defense and it was publicly announced that it had assisted the Department of Defense in "working out a program to end segregation in schools on military establishments at the earliest possible moment in line with President Eisenhower's statement issued last spring." Press release, Office of Public Information, Department of Defense, February 1, 1954.

It cannot be logically argued that a system of education that the Supreme Court has held to be unequal and unconstitutional and in violation of equal protection and due process of law can meet a congressional definition of suitable.

Rights arising under the equal protection clause of the 14th amendment are personal rights. *Missouri ex rel Gaines v. Canada*, 305 U.S. 337, 351 (1938). These rights must be provided for colored as soon as they are available for any other group. *Sipuel v. Board of Regents*, 332 U.S. 631, 633 (1948).

The colored children eligible for education under Public Law 874 are not receiving suitable education within the meaning of that law when they are required to attend segregated schools, because they are being denied personal constitutional rights to which they are entitled without delay.

The Congress of the United States when it passed Public Law 874 intended that the funds expended thereunder should be used without discrimination. As stated by one court, as applied to federally assisted housing: "\* \* \* Congress could not ordain otherwise—the law does not permit it to differentiate between races \* \* \*." *Ming v. Horgan*, Supreme Court, County of Sacramento, Calif., June 23, 1958, No. 97130, III R.R.L.R. 693, 699.

It is no answer for those who administer Public Law 874 to state that the Supreme Court did not order immediate desegregation in the *Brown* case. In the traditional exercise of its equitable jurisdiction, it refrained from so doing. This in no way justifies the continuation of school segregation. It merely means that the Federal courts may refrain from using the full power of equitable relief.

The executive branch of Government is not a court of equity. The President and those acting under him are bound by article II, sections 1 and 3 of the Constitution to administer their duties in accordance with the Constitution. As applied to Public Law 874, this would require that they grant to colored students eligible under the law their immediate constitutional right to attend public schools without being racially segregated.

This can be done by having the Commissioner of Education provide unsegregated free public education, as he is authorized to do, where local educational authorities refuse to do so.



We call upon the Department of Health, Education, and Welfare, acting through the Commissioner of Education, to use its full authority to make non-segregated schools available to all children of military personnel, wherever they may be stationed.

Sincerely yours,

CLARENCE MITCHELL,  
*Director, Washington Bureau.*

SECRETARY OF HEALTH, EDUCATION, AND WELFARE,  
*Washington, D.C.*

Mr. CLARENCE MITCHELL,  
*Director, Washington Bureau, National Association for the Advancement of Colored People, Washington, D.C.*

DEAR MR. MITCHELL: This is in response to your letter of November 8, 1960, in which you discussed the issues involved in those instances in which the Commissioner of Education, acting under the authority of section 6 of Public Law 874 (81st Cong., as amended), makes a determination that "no local educational agency is able to provide suitable free public education" for children who reside on Federal property. You concluded the letter by urging this Department "to use its full authority to make nonsegregated schools available to all children of military personnel, wherever they may be stationed."

With regard to the authority of the Commissioner of Education, conferred by the Civil Rights Act of 1960, to make arrangements for the education of children of members of the Armed Forces on active duty in those instances in which public education is made unavailable to them by the action of local or State officials, I can assure you that this Department stands ready to carry out this authority in any appropriate circumstance. The Civil Rights Act of 1960 confers explicit authority on the Department to act in these circumstances, as was requested by the Department in its 1959 legislative program. The purpose, character, and scope of the authorization, and the intent of the Congress in making it, are perfectly clear.

There is, however, nothing in the legislative history of Public Law 874—which has been extended and amended several times since the 1954 school segregation cases—to support the view that Congress intended the segregated status of a local school district to be a factor in determining suitability under section 6. On the contrary, every expression of intent serves to reinforce the basic philosophy of the act that the State and local school systems are to be encouraged to provide free public education for federally connected children on the same basis as that provided every other school-age child residing in the State and district. There is nothing to indicate that the Congress intended this act to be used in such a way as to secure a different treatment for children residing on Federal property from that afforded children attending local schools who reside on private property, except in those instances in which free, public education is not available or is made unavailable through official action. In the light of this history, Public Law 874 does not appear to authorize the Commissioner of Education to base his determination of "suitability" on the fact of segregated facilities.

I believe that the executive branch should provide all possible assistance in bringing about an orderly and effective desegregation of public education in accordance with Supreme Court decisions. I do not believe, however, that we would be rendering that assistance if we exercise power that Congress has given no indication it intended to grant to us. Also I question the wisdom of our taking action which would affect school districts where no court order has yet been issued.

I appreciate the feeling expressed in your letter that "it cannot be logically argued that a system of education that the Supreme Court has held to be unequal and unconstitutional and in violation of equal protection and due process of law can meet a congressional definition of 'suitable.'" However, it should also be recognized that the Supreme Court did provide for a delay in the enforcement of these constitutional rights. In view of the intent of the "suitable" provision as discussed above, I do not feel that it would be appropriate to make a determination of unsuitability in advance of a court order requiring desegregation in a particular case. Once the court order has issued, it undoubtedly would either be enforced by the court or the school would be closed. In the event the school is closed the provisions of the Civil Rights Act of 1960 discussed above would then be applicable to permit the Commissioner of Educa-

tion to provide for the children of members of the Armed Forces on active duty. I suppose it is possible although almost inconceivable that a school would continue to operate in violation of a court order. If it did, however, I believe there would be a basis for withholding funds under Public Law 815 and Public Law 874. Every Federal law is subject to an implied limitation that it shall not be administered in a manner capable of supporting unconstitutional activities. Where local authorities have refused to obey a court order ending in effect the grace period contemplated by the Supreme Court decisions, Public Law 815 and Public 874 are no exception to this general principle.

I am sorry that I cannot come out at the same point that you do in your letter. As you know, I share your objectives and certainly had wanted to use whatever authority it was appropriate for a person in this position to use in order to achieve these objectives. You have been extremely helpful to me in providing me with the benefit of your points of view and, as I leave office, I want to express appreciation to you for your courtesy and to express the hope that you will call on me whenever you feel that I can be of assistance to you in connection with your efforts to achieve objectives for which both of us have a mutual concern.

Sincerely yours,

ARTHUR S. FLEMMING, *Secretary.*

#### WITHHOLDING FEDERAL FUNDS FROM SEGREGATED SCHOOLS

From its earliest years of operation, the NAACP has supported the principle that there must be no discrimination in the expenditure of public funds. We have consistently and clearly reaffirmed that principle in all of our conventions. We do so again now. We have advocated the inclusion of an antisegregation amendment in Federal-aid-to-education legislation. We have worked for that amendment in the Halls of Congress and before the committees of Congress. Representative Adam Clayton Powell has sponsored such an amendment and it is now a part of the bill passed by the House in the second session of the 86th Congress. We state unequivocally that we want that amendment kept in the bill (H.R. 10128, passed May 26, 1960). We want the bill passed. We shall interpret any action aimed at defeating or dropping the amendment as an action against civil rights. We shall never cease to resist the dishonest and undemocratic idea that the taxpayers of all the States should be called upon to build segregated schools in a few States; nor shall we be silent when such proposals are made. We shall continue to resist the spending of public funds to undermine the Constitution of the United States.

We remind our members that, in judging the attitudes of their Congressmen, the only way a Congressman can be honestly for the Powell amendment is to vote for the bill with the amendment in it, and not to vote the amendment and then vote against the bill.

Senator MORSE. Senator Javits finds it necessary to go to another Senate committee hearing very shortly and has asked that I take some witnesses out of order, which I will be glad to do.

Senator CLARK. Mr. Chairman, with all due deference to my distinguished colleague from New York, I am in the same boat and the next witnesses are from Pennsylvania. Perhaps we could come to some kind of an agreement.

Senator MORSE. The Senator from New York knows that I have no choice but to follow the order.

Our next witness is Miss Margaret Root. Miss Root, we are very happy to have you with us.

#### STATEMENT OF MARGARET ROOT, EXECUTIVE SECRETARY OF THE PENNSYLVANIA FEDERATION OF TEACHERS

Miss Root. Thank you, Senators. Senator Clark, thank you for your work for education.

I am Margaret Root. I am executive secretary of the Pennsylvania Federation of Teachers, which is affiliated with the Pennsylvania

AFL-CIO. Thank you for this opportunity. We endorse the three-fold purpose of S. 1021. I had expected that Dr. Boehm, State superintendent of instruction, would be here today. I talked to his assistant on Tuesday and, therefore, I simply will add some comments because I know how strongly Dr. Boehm feels on this issue of Federal aid.

He participated in the Pennsylvania section of that program on Federal aid in which Senator Clark debated with Secretary Flemming from New York, and then Superintendent Boehm debated a Philadelphian in Philadelphia.

Senator CLARK. Miss Root, could I interrupt, because I am afraid the record will not show it.

This was a debate on the need for Federal aid to teachers' salaries.

Miss Root. That is right. On that, Dr. Boehm took a very strong position.

In some places there is more support for Federal aid for construction than for teachers' salaries; but there may be differences between States on this issue and their needs may vary.

Pennsylvania has done more to help in school building than any other State in the Union, beginning a program back in 1947. The ceiling on the Public School Building Authority and on municipal authority financing of school buildings this year will probably go up to \$1.6 billion.

Senator Clark is on our Governor's Committee on Education, which will bring out a report very shortly. There will be a good look, I think, at the building program in the State.

As a matter of fact, in the budget for the biennium 1959 to 1961, there was \$55 million for State aid for payment for what we call rentals under authorities in Pennsylvania.

Although we still have a building need, there is a more pressing need in our State, and that is the problem of standards of instruction. We have taken certain steps in recent years.

For the first time this fall, college entrance examinations will be required of students trying to enter our State teachers' colleges. The requirements of admission have been too low in the opinion of many people. Also the requirements for provisional certification have been stiffened.

Now, most teachers, as you probably know, Senator Morse, never did like the emphasis on education courses. Most teachers always wanted more subject matter in teacher training. Therefore, we are very glad that the trend is back toward subject matter, but that brings its own problems.

The requirements for State certification will have a minimum of courses in education. Senator Javits' State just escaped having a big increase in courses of education because of the success of sputnik.

We are requiring almost half in liberal arts and a very much heavier dose, shall I say, of specialization.

Those changes will require a higher type student than we have had on the whole.

#### SALARY PROBLEM

That is where the problem of salaries comes in. Every one of us knows that salary is a chief feature in the attraction of teachers. If we are to get the kind of students that will be able to take good courses, the salary level must be raised to attract that kind. Other-

wise you know what is likely to happen. The courses will exist on paper; the college entrance examinations will be given. If there are not enough applicants of the kind wanted, the score required on the college entrance board examination will be lowered. The State will be back where it started from.

We feel strongly that in Pennsylvania, in order to bring up the quality of instruction, we must do more about salaries in order to carry out the improvements and programs that have already been undertaken.

We are very grateful to Senator Clark for having led the fight—I am very proud of him—in the last session of the Congress.

In spite of the fact that he had some very vicious editorial opposition in the papers of the State, and it was really vicious and not based on facts, we are very proud of him.

There are other reasons why we are in favor of Federal aid. Pennsylvania has very difficult financial problems. You know more than I do about the problem of unemployment and what that has done to our tax revenue, both locally and statewide. To some extent many school districts in Pennsylvania depend on wage taxes, which have been seriously reduced by unemployment. At the very same time, of course, the State relief load has gone up. Therefore there may be difficulties in working out the budget for the year 1961-62 to find the additional money, statewide, that we would like to find for schools.

If Pennsylvania raises certain types of taxes, then our industry simply goes off to other States, and the problem grows worse. Opponents of Federal aid always cite in Pennsylvania how much more money we pay in than we get back. We know that there is resentment, and a growing resentment, I would think, in Pennsylvania because the Southern States that have drained off our industries by promises of lower taxes and by the lure of lower wages would gain more from this bill.

#### EQUALIZATION APPROVED

But we accept a formula that recognizes need because, as classroom teachers, we see the effect of poor educational opportunities, especially in the Southern States. We need more money because we should have much smaller classes for some of those youngsters from migrant families who have come up either recently or, maybe, 10 or 15 years ago.

If we are to help those youngsters realize their innate possibilities, we must have much smaller classes, even double periods or tutoring in some subjects.

That is a very expensive proposition. It raises another serious question: How to get enough teachers to give that kind of instruction?

We are very much interested in section 109. The Hovde Report recommended additional money for the large cities, over 300,000. There is a difference in this bill. It sets aside 10 percent of the total allotment for various remedial services, most of which are connected with problems in the very large cities or the problems in the depressed areas.

Philadelphia and Pittsburgh have small Ford Foundation grants for projects under the first four subtitles of section 109, but they could use very much more.

Other places in Pennsylvania, I know from my visits, have just as severe problems as Philadelphia and Pittsburgh, but have done even less about them.

Puerto Ricans, for example, are coming across the Delaware River, from New York and New Jersey, into eastern Pennsylvania. Special problems exist in more places than the cities of over 300,000, although the largest cities could use every bit of the money specified in that section.

We have another problem in what we call the distressed school districts. We are trying very hard in Pennsylvania to do something about putting such school districts in the hard and soft coal regions on a firm financial basis. I am sure, Senator Randolph, there is such a problem down in your State. For 15 months there has been a law which, it is hoped, will enable the State to solve some of the complex issues in the distressed districts.

Recently I spent time trying to find some money for teachers who haven't been paid for 4 months. Occasionally teachers haven't been paid for 8 and 9 months. We are very sure that our department of public instruction will take advantage of this part of section 109.

Pennsylvania was one of the first States to use NDEA funds. So many teachers attended the classes held under NDEA auspices that the New York Times even ran a story about the large number.

#### IMPACTED AREAS

The change in aid for impacted areas has been discussed to some extent. Our department of public instruction gave me a memorandum, about 6 pages, that had been sent to them. I shall not speak on the theory of that memorandum, but I would like to raise a question about the practical aspects of these changes.

In Pennsylvania, by the 1959 report, 98 school districts were involved, which were entitled to almost \$4 million. That was approximately  $2\frac{4}{10}$  percentage of current expenditures, but  $2\frac{4}{10}$  percent of a budget can make a great difference in the quality of education.

I am afraid that, if this problem of impacted areas is not studied and revised, we may find some new distressed districts which lost more under the changes in aid for impacted school districts than they gained under this bill, and which will not be able to make the kind of change in the local tax structure that is necessary.

In conclusion, I would like to say that we think the total appropriation in this bill is not high. The task force report was more ambitious. We know that some people consider the amount too large. It will not solve Pennsylvania's problems. It will be no temptation to Pennsylvania to reduce expenditures, even if that were allowed in the law, but we do believe that it will speed up certain programs that Pennsylvania school districts already have in mind.

It will be a decided step forward, not only in principle, but actually in program.

Senator MORSE. Miss Root, I want to thank you very much for this excellent statement and I will say you have been of great assistance, especially in your testimony on one point that Senator Clark has been bringing out time and time again here and in the Senate itself.

That point is that every State, including Pennsylvania, has areas where Federal aid is sorely needed, and when you talk about what you called the distressed school districts you support your Senator completely.

I was quite surprised to hear you say that you have some districts in Pennsylvania or have had districts in Pennsylvania where teachers have not been paid for 8 and 9 months.

Miss Root. Oh, that is not new this year.

Senator MORSE. Well, it is new to me. I judge from your statement in Pennsylvania there is no central State emergency fund?

Miss Root. Oh, yes. We have had an emergency fund. It used to be bigger. It is only about \$300,000 for this biennium and \$300,000 in the 1961-62 appropriation bill.

Senator CLARK. Mr. Chairman, if I can interject briefly, under our system we pay a State instruction subsidy to all school districts on an equalization basis. So the poorer districts get quite a deal more than the richer districts, but the ceiling on that subsidy is 5,800 per teaching units and some of these places like Fayette County, for example, where such a very high percentage of the population is not only out of work but on relief, the local school districts just cannot raise the money to keep their teachers.

Senator MORSE. I see the point.

Miss Root. Most of the districts are in the hard and soft coal areas with a very few outside. These districts have been in a bad position ever since tax revenue from coal companies fell off and the income of miners dropped.

Senator MORSE. I want to thank you for the whole statement but especially for this emphasis because we have had some discussion already in the hearing about so-called richer States of which Pennsylvania is always cited as an example. As the Senator from Pennsylvania has pointed out, these richer States, so-called, have their individual school problems with regard to which the Federal aid program would be of great assistance.

Miss Root. Pennsylvania pays a very high percentage of school support from State aid. It is up to about 50 percent.

Senator CLARK. The highest in the country.

Miss Root. Yes. On which, I am sure, the Governor's committee is going to say much.

Senator CLARK. I know that Senator Javits is anxious to get away, so I have no questions. I would like to commend the witness on a fine statement and say that I agree with everything she says except the nice things she said about me.

Miss Root. Thank you very much.

Senator MORSE. It is typical of his modesty, but I will join you in those statements.

(The prepared statement of Miss Margaret Root follows:)

PREPARED STATEMENT OF MARGARET ROOT, EXECUTIVE SECRETARY OF THE PENNSYLVANIA FEDERATION OF TEACHERS

My name is Margaret Root. I am executive secretary of the Pennsylvania Federation of Teachers, which is affiliated with the Pennsylvania AFL-CIO.

Some people look askance at teachers who concern themselves, as we are doing, with legislation affecting education. We believe that as teachers we have a responsibility to our pupils that extends beyond what we can do for them in the classroom. Also we have a responsibility as citizens and parents to speak out on the problems of which we have direct knowledge.

We endorse the declaration of purpose of S. 1021, Federal subsidies to the States for "urgently needed public elementary and secondary school facilities, to employ needed additional public school teachers and pay them adequate salaries, and to undertake special projects directed to special or unique educational problems or opportunities."



There are several advantages in making the appropriation available for buildings and for teachers' salaries. Those who emphasize States rights should approve because the bill would give them a choice. Some States may have a greater need for construction and others for improving instruction.

Pennsylvania, for example, has done more than any other State toward subsidizing local building programs, contributing about \$55 million in this fiscal biennium. There are still building problems connected with reducing the number of small schools, with replacing obsolete structures, with increased enrollment, and with shifting enrollment within school districts.

But Pennsylvania is directing more of its attention to improving instruction. For example, the liberal arts and subject matter requirements for provisional certification are being stepped up; college entrance board examinations will be required for admission to all State teachers' colleges in 1961. A larger percentage of able young people must be attracted into teaching, or those two concrete steps will make little difference. Salary is still an important attraction in teaching as in other occupations; that improvement of salary is tied in with improvement of instruction, no one denies.

#### PENNSYLVANIA'S FINANCIAL COMPLICATIONS

Pennsylvania faces difficulties in raising salaries to those of New York, New Jersey, Delaware, and Maryland. With the highest rate of unemployment, State revenues have declined while needs rise. Many school districts are handicapped by the same conditions in raising local taxes. We appreciate the leadership of the President and of the Congress in combating unemployment in general, and in distressed areas in particular. Eventually, such programs should be of great value, but meanwhile educational opportunities must be improved today or a school generation will lose out.

Pennsylvania has another problem in raising taxes. The cost of our public school system had more than doubled in the last decade, of which cost the Commonwealth pays half. It wants to improve schools, but does not want to drive industry or residents across State lines to lower taxes. That is one reason for supporting Federal aid to schools.

Some citizens of our Commonwealth may oppose this bill because Pennsylvania, in spite of its unemployment, will receive only the minimum the first year and little more in the 2 succeeding years. Some resentment will probably be expressed because more money will go to States that have drawn our industry away by lower wages and taxes. But we of the Pennsylvania Federation of Teachers are more aware than business of the educational problems in our classrooms due to immigration.

#### SPECIAL EDUCATIONAL PROJECTS

Under section 109 five of the special educational projects, for which a State shall set aside 10 percent of its allotment, would be of great value to Pennsylvania for—

(1) remedial or special instructional programs or services for pupils having special language or adjustment problems;

(2) programs or services for adapting curriculums to the needs of deprived or disadvantaged pupils;

(3) programs or services for pupils from immigrant or unusually mobile families;

(4) programs for coordinating the school system planning and programs in the area served by the local education agency, with the planning and programs of other public or private nonprofit agencies dealing with problems related to the alleviation of the same deteriorated or depressed areas and of the families and children residing therein;

(5) programs to encourage and stimulate educational excellence, including programs for exceptionally gifted children.

Philadelphia and Pittsburgh have small Ford Foundation grants for projects of the first four types now, but could use many times those amounts. Harrisburg and Chester have similar problems. Puerto Rican pupils are found in various communities along the eastern border of the Commonwealth.

Pennsylvania, under legislation enacted about 15 months ago, is making a determined effort to put distressed school districts, chiefly in the hard and soft coal areas, on a firmer financial basis. Much remains to be done to increase educational opportunity in those areas.



We have no hesitation in predicting that our department of public instruction would take advantage of this provision with the same record speed it made use of NDEA funds. Likewise, we can predict that teachers would accept with enthusiasm good courses to help them carry on such special projects. The attendance of Pennsylvania teachers at NDEA courses in mathematics, science, and foreign languages was so good as to get a story in the New York Times. In general, States and local districts and teachers do not deliberately fail in these special areas; they have not had the funds.

#### AID FOR IMPACTED AREAS

We are concerned about the proposed amendments to Public Law 874 in aid for federally impacted areas. According to the 1959 report, 98 Pennsylvania school districts were entitled to \$3,805,576 or 2.4 percent of their total current expenditures. Compared with California's 4 percent of current expenditures in 495 eligible districts, Pennsylvania would feel less impact from these amendments. But 2.4 percent of an operating budget can make a big difference to quality of instruction. It is conceivable that some school districts would receive less Federal aid under S. 1021 than under Public Law 874. We can foresee a new kind of distressed school district that, falling short of 4 or 5 or 6 percent as the requirement rises, cannot make local tax adjustments in time to offset the loss.

Pennsylvania's superintendent of public instruction has spoken publicly in favor of Federal aid for teachers' salaries and we take him at his word. But teacher can include anyone from the recent graduate to the highest paid superintendent. We urge you to make sure that this money actually reaches down to the classroom teacher.

Many of us were disappointed in the total appropriation of this bill in comparison with the Horde report; others think it too high. It may be the best compromise attainable. The amount will not solve Pennsylvania's problems and it offers no temptation to reduce expenditures statewide (prohibited in the bill). But it will enable Pennsylvania to move faster on improving the quality of education.

Senator MORSE. Miss Pincus, president of the Philadelphia Federation of Teachers, is the next witness.

I am glad to have you with us, Miss Pincus. You may proceed in your own way.

#### STATEMENT OF CELIA PINCUS, PRESIDENT OF THE PHILADELPHIA FEDERATION OF TEACHERS

Miss PINCUS. Thank you, Senator Morse, and members of the committee, and especially our own Senator Clark, if you will allow me that privilege, since he is a Philadelphian like me and has been a fearless fighter for the right in many directions and most especially in the area of education.

I am Celia Pincus, the president of the Philadelphia Federation of Teachers, affiliated with the American Federation of Teachers, AFL-CIO.

I teach in Jay Cooke Junior High School, and the reason I mention it is because it is an unusual school where the pupils represent a wide range of home backgrounds and abilities. Whether you are educators or not, it might interest you to know we have children whose IQ's range from 70 to 140, and in case you think that it costs half as much to educate a child with an IQ of 70, it doesn't.

It often costs three times as much as it does to educate a normal child.

Senator CLARK. Mr. Chairman, could I interject at this point, because the witness is an old friend and I am sure she won't mind.

I know that Senator Javits is very anxious to get away to another meeting. I wonder, Mr. Chairman, if Miss Pincus' address, if she would be willing, might be printed in full in the record and then if she would just, for a couple of minutes, give us the benefit of her emphasis on that part of her statement which has not already been covered. It would be very helpful. It has to do largely with the problem of enrollment from migrant groups, the dropout problem, and the need for an increase in teachers' salaries in the area from which she comes which is Philadelphia.

Senator MORSE. If that meets with the pleasure of the witness, that is the procedure we will follow.

Mr. Reporter, will you please see to it that Miss Root's statement is printed at the close of her testimony, and then will you see that Miss Pincus' statement is also printed at the close of her comments?

You may proceed in your own way.

Miss PINCUS. Thank you, Senator. I want to emphasize for Philadelphia that at the White House Conference in 1960 the State's report on children and youth indicated that the pressing problems in education and recreation and unemployment have been created by increasing urbanization of minority groups with their migration from south to north, from Puerto Rico to the mainland, and from country to city.

In Philadelphia 1,500 children a year enter our schools whose parents came to the city in the forties for war work.

Senator CLARK. Are not most of these Negroes?

Miss PINCUS. Most of these are Negroes, Senators.

A picture where school enrollment is largely from migrant groups, shows children of poor socioeconomic background, culturally deprived, from overcrowded and neglected housing with morale so low that the frustration level is always dangerously close. And, believe me, it is as dangerously close for the teacher as it is for the pupil. And the teacher who handles groups like that must be especially well trained and given the consideration necessary to keep him in the classroom.

Senator CLARK. Now, let me ask you there: Is it not true that teaching these more or less problem children is an unusual and hard challenge which many perfectly good teachers are not willing to rise to?

Miss PINCUS. That is right. Senator Clark is right about that.

I know that we think of teaching in terms of service but even your desire to give service has its limitations in physical strength, in your emotional endurance of certain problems. Breaking up a fight, though it will take only 5 minutes, will leave you——

Senator CLARK. It will upset you for the rest of the day?

Miss PINCUS. It will leave you trembling for the rest of the day and any work that you have to do beyond that is done on nervous energy rather than on any plan that you had at the beginning of the day.

Senator CLARK. Now, isn't it true, Miss Pincus, that there are a large number of teachers in the Philadelphia public schools who are not certified?

Miss PINCUS. That is right.

Senator CLARK. And, therefore, temporary?

Miss PINCUS. They are temporary. They are semicertified; that is, they are teaching on provisional certificates which last for 3 years. About 10 percent of our teaching force consists of substitutes who either don't have the certification or are unable to pass the examina-

tions to meet even the reduced requirements that Philadelphia now has.

Senator CLARK. So that, in effect, we have a substantial number of what, I think, you and I would call substandard teachers in terms of their qualifications?

Miss PINCUS. Right.

Senator CLARK. Now, is not one reason for this, that the effort to recruit qualified teachers at the present salaries has not been successful?

Miss PINCUS. That is correct, because New York and New Jersey offer more money than Pennsylvania, and suburban communities around Philadelphia also have higher salaries. In addition, suburban communities do not have the problems that the Senator has mentioned, and have smaller classes.

Many classes that I teach have 44 children in them. If any of you have taught or if you know classes, you know you cannot really teach normal children, let alone problem children, in classes of 44.

Senator CLARK. Now, our State standard is 30 for elementary pupils per classroom and 22 for high school. Is that right?

Miss PINCUS. That is right. That is not per classroom, but per teaching unit for purposes of State reimbursement. That is quite different.

Senator CLARK. Yes.

Miss PINCUS. It sounds good but when you get the assigned pupils in the classroom the enrollment runs into the forties.

Senator CLARK. And because of the fact that we have not been able to get enough teachers, not enough qualified teachers, at salaries we offer, we are not able to pay enough to get and hold good teachers. Our funds for salaries are based largely on the real estate tax which in Philadelphia is very high because it takes care of not only the school district but for the city government. The income is still too low and we have a rather critical problem, haven't we?

Miss PINCUS. Yes; we do have a very serious problem in that respect and to reduce class size in Philadelphia by 1, so that instead of 44 I would have 43, would cost the city \$1 million. It will cost \$1 million to reduce average classes by one, assuming you can get the teachers.

Senator RANDOLPH. Mr. Chairman, I won't interrupt the witness. I was called from the room and did not have an opportunity to ask Miss Root a question, and so I will ask Miss Pincus.

Senator MORSE. I will be glad to recall Miss Root if you want me to.

Senator RANDOLPH. It is not necessary. I think the same question can be answered by Miss Pincus covering Philadelphia as well as the Pennsylvania picture.

Miss Root said that there were many instances of teachers not having been paid over a period of months.

Miss PINCUS. That is true in Pennsylvania.

Senator RANDOLPH. Now, I wanted it to check the areas of the State in which this rather tragic situation exists.

Miss PINCUS. That would be mostly in the hard and soft coal areas.

Senator RANDOLPH. It would not be in Philadelphia?

Miss PINCUS. No; it is not true in Philadelphia.

Senator JAVITS. Mr. Chairman, would the Chair be good enough to bring Mr. Kampelman forward, of the American Jewish Congress, just so I can introduce him?

Senator MORSE. I will be delighted to have Mr. Kampelman come to the witness chair.

Senator JAVITS. I just wanted to present the witness for the American Jewish Congress to the committee and to state to the committee that this is one of our most distinguished civic organizations.

Although I shall be unable to be here, as I must go to another committee, you will get, I know, the greatest courtesy from the Chair.

Mr. KAMPELMAN. Thank you very much, Senator.

Senator MORSE. We welcome these gentlemen to the subcommittee, but I am sure that the Senator from New York knows they need no introduction. We had them before us before many times and we are honored to have their testimony again today.

I want to say, before I ask a question of Miss Pincus, that you gentlemen are going to have to wait. We never have a dull moment in the Senate. I have just been notified of a quorum call and rather than have the Sergeant at Arms come to arrest my colleagues on the subcommittee, and the Chair, we must leave to answer the quorum call. We will come back to hear you.

Before you leave, Miss Pincus, yesterday I was very much disturbed, as I am sure the Senator from West Virginia was and the Senator from Pennsylvania, who was on another committee at the time and, I don't think, heard this part of the testimony, about the testimony from the witness for the U.S. Chamber of Commerce, who argued against the need for Federal aid to education in all of its phases, but in particular with reference to teachers' salaries.

His testimony sought to support the contention that when you take teachers' pay and compare the teachers' pay with the pay of other professional women it does not compare unfavorably. It will be helpful, I think, for me to have an analysis of that contention, and, therefore, I instruct the staff to prepare a memorandum for the subcommittee that deals with this issue of comparable pay of women who work for a living. The study should show a comparison of salaries based upon the same background of training.

In other words, we ought to have a comparison of women in——

Miss PINCUS. Why women, Senator? Teachers aren't women, they are teachers.

Senator MORSE. I do not make the argument. The U.S. Chamber of Commerce did. I think we ought to have a comparison of the salaries of women teachers related to women in other work, but it ought to be weighted in some way by the training of the people concerned. Furthermore, I think it should be broadened to cover the point you have in mind, for instance, a comparison of salaries in the teaching profession of men and women, not including the administrative group—that is a separate classification—with the workers in other fields of activities, again, with similar training.

All I want are the facts to see whether or not it is true that people with the same general investment in their training are getting more or less or about the same in the teaching profession as compared with similarly qualified people. Miss Pincus, if you have any information that you think can help us, please file it with the subcommittee.

Miss PINCUS. I will do that. I would like to make the point, and I wish to paraphrase something I heard Senator Clark say some time ago, that a highly trained chemist who goes to work for a distillery isn't much help to the national interest, unless you are awfully fussy about your liquor, because the schools can't afford to bid for his services.

Senator MORSE. Strike the word "you."

Miss PINCUS. It's a generic "you," sir. The schools can't afford to bid for his services. Hence, there are all sorts of fantasies. We are going to teach chemistry and physics on television, even from the sky. The kind of children I was talking about before, who never have contact with a well-trained, educated, intelligent individual, either at home or in their neighborhoods, will lose their best opportunity at such association, the teacher. Teaching machines, television, and gadgets are highly recommended in the hopes of saving money for the community, and not in the hopes of doing something for those children who need human sympathy and understanding.

Senator RANDOLPH. Inspired teaching?

Miss PINCUS. Inspired teaching?

Senator RANDOLPH. Well, I won't press the point.

Miss PINCUS. Inspired teachers are fine, but even just good ones, I would settle for, sir.

Senator MORSE. Thank you very much. I am sorry, Miss Pincus, but if you wish to finish later, that will be all right.

Senator RANDOLPH. I wish you could have taught my son.

Miss PINCUS. I would have loved to.

Senator MORSE. If you could remain until we return from answering the rollcall, I assure you we will be right back.

Miss PINCUS. Thank you very much, sir.

Senator MORSE. We stand in recess until we get back from the rollcall.

(Thereupon a recess was taken, following which the subcommittee resumed its hearing.)

Senator CLARK (presiding pro tempore). The subcommittee will resume its session.

Senator Morse would like me to keep things moving until he gets back, which will be quite shortly.

Miss Pincus, will you resume where you left off?

Miss PINCUS. Yes, Senator Clark. I am sorry. I had hoped to limit my remarks but, having made my living by talking, it is hard for me to limit it now.

I would like to remind you that President Kennedy, in his message to you, stated, "Our twin goals must be a new standard of excellence in education and the availability of such excellence to all who are willing and able to pursue it."

The best possible teachers are needed everywhere, but it must be pointed out that big cities present extremely difficult problems in education. The big cities are a little like the nursery rhyme in relation to our school population, "When they are good they are very, very good, and when they are bad, they are horrid."

Philadelphia now has an estimated one-third of its school population termed "slow learners," children who have difficulty in achieving even the minimum program.

We have in addition, as do most large urban centers, a much higher percentage than the national average of mentally, emotionally, and socially disturbed children for whom special provision must be made, both for their own sakes and in fairness to the normal pupils whose progress they hinder if they are in the same classes. Add to that the needs of the exceptionally gifted, which must be adequately met for the good of the Nation, and you have an expensive business. I will give you one simple set of statistics to show our problem.

Two percent, according to the national average, are children who are mentally or emotionally disturbed, but we, in Philadelphia, service over 6 percent. It costs presently more than twice as much to educate them as it does for the normal children, and if we were really doing right by them, we should be spending three times as much.

About the especially gifted: If I have shown you a peculiar picture of Philadelphia, where we are skewed in the direction of having so many abnormals, we also have, in an academic school for boys, 40 seniors who were finalists in the National Merit Scholarship Awards.

Senator CLARK. It sounds like Central High to me.

Miss PINCUS. Yes, sir; and it was the second largest number of finalists in the country. You see what our problems are.

Surely, we need funds and only the assurance of a high portion of these funds for teachers' salaries will take care of those problems. I am very much afraid that if the money in this bill goes into buildings only it will start a race. Beautiful buildings have an eye appeal. Unfortunately, good teachers do not always have the same kind of appeal, otherwise we wouldn't have to fight for teachers' salaries as we do.

I want to raise one more point and that is on the aid for impacted school districts, Public Law 874. Under this, Philadelphia has for 3 years now been getting an appropriation running to almost \$2 million a year.

Senator CLARK. We are going to have trouble getting along with that when it is cut back, if it is cut back, aren't we?

Miss PINCUS. Yes. If that is cut back and the provisions in the other sections of the bill remain the same, Philadelphia might find itself worse off than it is at the present time.

Senator CLARK. It will be worse off than if no bill at all were passed.

Miss PINCUS. Yes, Philadelphia might be worse off than if no bill had been brought in.

That may be a selfish point of view but, we, too, are an important segment of the Nation.

Senator CLARK. Actually, was it 3 years ago we first got that money? I thought it was 2 years ago.

Miss PINCUS. It is in its third year. That is right. We haven't received it yet, but we trust the Government. We are sure we will get it.

Senator CLARK. Now, do you remember how many times since World War II real estate taxes had to be raised in Philadelphia for school purposes?

Miss PINCUS. No, I don't remember how many times the rates have been raised, Senator, but that didn't always mean anything because our assessments were raised.

If there was no increase in the millage there was in assessments, so that it came to pretty much the same thing.



Senator CLARK. Let me put it differently.

Do you know how much the school district has increased its revenues since World War II?

Miss PINCUS. Increased since World War II?

Senator CLARK. Expenses in school districts have increased very substantially, haven't they?

Miss PINCUS. Yes. Philadelphia now spends \$70 million a year more than at the time of World War II. This year's budget is \$111 million.

Senator CLARK. And, in addition to raising the assessments and in raising the property tax rate, there has also been imposed a special tax?

Miss PINCUS. That is right. A business tax.

Senator CLARK. That is a tax for school purposes on business?

Miss PINCUS. Yes; a general business tax.

Senator CLARK. And this was necessary because it was felt impossible to get the money needed to take care of even the minimum needs of the school district by relying entirely on the property tax?

Isn't that true?

Miss PINCUS. Yes; that is true, Senator, and some of us feared that general business tax because marginal businesses who do not have large profits can well be driven outside the city, across the county line, where they would not have to pay that tax.

Senator CLARK. As you know, while I was mayor, it was necessary to balance the city budget—

Miss PINCUS. Yes.

Senator CLARK. By not only adding the wage tax to the real estate tax but also by imposing a special mercantile license tax which also is tending to drive people out of the city. The point I want to leave for the record is that Philadelphia has taxed itself almost white for school purposes as well as their municipal purposes.

If we don't get some help from somewhere pretty soon we are really going to be in trouble in trying to run a first-class educational system.

I wonder if you would agree with me, Miss Pincus, in fact, that right now we are not running a first-class educational system because we do not have the money for teachers to do it?

Miss PINCUS. That is right. And I would like to say, Senator, if you are interested in statistics, that 60 percent of the Philadelphia school budget comes from real estate taxes. You know first hand how much competition there is for the tax dollar in a city that is trying hard to revitalize itself.

I want to make just one more statement. I called Mr. Milton Shapp, who is the president of the Jerrold Electronics Corp. of Philadelphia.

Senator CLARK. And also, for the record, a member of President Kennedy's Task Force for Aid to Depressed Areas and a consultant to the Secretary of Commerce.

Miss PINCUS. I called to ask him whether I might quote him at this hearing. He readily agreed and said that what he said before is even more true now, and so I would like to quote Mr. Shapp, who is a hardheaded businessman interested in the welfare of the Nation rather than just of Philadelphia.



He said:

The need for better educated personnel is a national problem. Our handling of this problem is a national disgrace. The first rule of business is never to underrate a competitor. We are making a fatal mistake in permitting our school system to limp along in the face of the knowledge that our major competitor considers the education of its youth as one of its prime functions.

I have visited Soviet schools, colleges, and laboratories, and have talked to their students, teachers, and professors.

I have swapped experiences with many American educators, who have also inspected the Soviet educational system. There is no basis for being either smug or complacent about our situation.

Now, gentlemen, I would like to return to my opening statement. Both parties promised in their platforms Federal aid to education and since Robert Frost is almost an American poet laureate, I would like to remind you that you, too, have promises to keep, promises that must be kept for the welfare of this Nation.

Thank you very much.

Senator MORSE (presiding). I have two questions or comments.

The first comment is that I would like to have the staff take note of this witness' testimony as to what the situation would be in Philadelphia if we did not have the present funds for federally impacted areas and what the situation would be even with the reduced fund that this bill allows.

And I think it is very pertinent that you call attention to the fact, as this witness has, that in some instances maybe some districts would be better off without any bill at all from the standpoint of their finances, if they are going to lose the funds from the federally impacted area legislation.

My question, Miss Pincus, is: In view of the problem that you know exists before this subcommittee, first, what is your own personal judgment, and, second, to the extent that you can testify for the point of view of your organization what would be the views on the adding to this bill of any amendment involving either the private school or the civil rights issue?

Miss PINCUS. This will be a personal statement because on the issue of loans for private schools we have not taken a stand. Our organization is opposed to direct aid.

Again this will be a personal statement, and I don't know that it is worth anything to you, but my great admiration for Senator Clark would lead me to go along with him.

Senator MORSE. You will never make a mistake by going along with Senator Clark.

Senator CLARK. Will the Senator yield?

Senator MORSE. Yes.

Senator CLARK. Just for the record, Miss Pincus, am I not right in saying that there are presently in the Philadelphia school districts approximately 240,000 pupils attending the public schools?

Miss. PINCUS. Right.

Senator CLARK. Approximately 140,000 attending parochial schools?

Miss PINCUS. Right.

Senator CLARK. And approximately 25,000 attending other types of private schools?

Miss PINCUS. Yes, sir.

Senator CLARK. And those who are parents of the 140,000 are paying their share of the public school system?

Miss PINCUS. Yes, sir, but any decision I make to support private schools is a personal matter.

Senator CLARK. That is right.

Miss PINCUS. If I want something different from what is offered in public schools, I have the right of choice, but also the obligation to pay for it.

Senator CLARK. I agree with all of that. The only reason, Mr. Chairman, I asked to have those figures put in the record is because it does show the problems in Philadelphia, which are very real ones.

Senator MORSE. I am glad to have the figures in the record.

Now, Miss Pincus, what is your recommendation to the committee with regard to the so-called Powell amendment being added to this bill?

Miss PINCUS. If it should jeopardize the possibility of having this bill pass it should be omitted. I think that the question of civil rights, though probably the most important moral issue in America, should be separated from an education bill. I have a firm belief that the present struggle in the South for civil rights would have developed a generation ago if there had been better educational opportunities.

Senator MORSE. Thank you very much.

Senator CLARK. Will the Chair yield?

Senator MORSE. Yes, I yield.

Senator CLARK. Am I right that somewhere in the neighborhood of 40 percent of pupils in Philadelphia public schools are Negroes?

Miss PINCUS. Right. More. Just a little over that.

Senator CLARK. Right.

Miss PINCUS. It will be over 50 percent at the end of this year.

Senator MORSE. Thank you very much.

Miss PINCUS. Thank you, gentlemen.

Senator CLARK. Thank you, Miss Pincus.

(The prepared statement of Miss Celia Pincus follows:)

**PREPARED STATEMENT OF CELIA PINCUS, PRESIDENT, PHILADELPHIA FEDERATION OF TEACHERS**

I am Celia Pincus, president of the Philadelphia Federation of Teachers, affiliated with the American Federation of Teachers, AFL-CIO. I teach in Jay Cooke Junior High School where the pupils represent a very wide range of home background and ability.

The question of Federal aid to education has come before you often and persistently; both parties included it as a major plank in their platforms and it is now to be presumed that you will act favorably on a bill to keep that promise.

Those who fear Federal aid should remember that it has precedents in history: The ordinance of 1787, which set aside lands for use in education; the Morrill Act of 1862, signed by Lincoln; the Smith-Hughes Act; the GI bill of rights. Many of the younger teachers whom I meet in Philadelphia tell me they could not have gone to college without the help of GI funds. The National Defense Educational Act, though limited in scope, also brought the Federal Government into the aid-to-education picture.

Per capita expenditures for public schools by State and local governments rose 140 percent in the last decade. Pennsylvania spends 50 percent of its total budget for education, including colleges. Despite this effort, the percentage of taxes, Federal, State, and local, used for education is less today than it was 50 years ago. Although the Federal Government collects 75 percent of the total tax dollar, it pays only 4 percent of the State and local cost of education.

At the Educational Goals Conference called last year by Secretary Flemming in Washington, William Bristow of the National Committee on Employment of

Youth said, "In New York we are not doing what we ought to do for 20 percent to 30 percent of our youth."

Americans are a mobile people. Mobility contributes to our greatness, but it brings special responsibilities with it. "The State's Report on Children and Youth," consolidated by the 1960 White House Conference, indicated that, "pressing problems in education, recreation, unemployment have been created by increasing urbanization of minority groups, with their migration from South to North, from Puerto Rico to the mainland, from country to city." It is estimated that there enter the Philadelphia schools annually 1,500 children whose parents migrated from the South as recently as the 1940's.

A picture of schools where enrollment is largely from migrant groups, shows children of poor socioeconomic background, culturally deprived, from overcrowded and neglected housing, with morale so low that the frustration level is always dangerously close.

Under-achievement and dropouts result at a time when America can ill afford such waste of human resources. For the U.S. Department of Labor estimates (1) by 1965 a 22 percent and by 1975 a 45 percent increase in demand for skilled craftsmen and (2) by 1965 a 13 percent, and by 1975 a 25 percent decrease in demand for unskilled labor. There will be shortages in some fields, but also an oversupply of workers not fitted for the employment available. Today's unemployment figures bear this out. But even worse will be greater unemployment, rising-relief rolls, increased costs of prisons, hospitals, and mental institutions. Worst of all could be the widening gap between the haves and the have-nots, changing the very image of our democracy.

A serious error this Congress could make would be to fail to pass an aid-to-education bill. The second mistake, equally serious, would be to pass one that does not include provisions for teachers' salaries and special allowances for areas with unique problems. President Kennedy in his message to you stated, "Our twin goals must be: A new standard of excellence in education—and the availability of such excellence to all who are willing and able to pursue it."

As a classroom teacher, representing teachers affiliated with the labor movement, I must emphasize that "excellence in education" can be achieved only through good teaching. We must employ well educated, highly trained teachers, not overburdened with large classes, to achieve the excellence which the national interest demands.

The best possible teachers are needed everywhere, but, it must be pointed out that our big cities present extremely difficult problems in education. It is estimated that one-third of Philadelphia's school population are "slow learners." We have in addition, as do most large urban centers, a much higher percentage than the national average of mentally, emotionally, and socially disturbed children for whom special provision must be made, both for their own sakes and in fairness to the normal pupils. Add to that the needs of the "exceptionally gifted," which must be adequately met for the good of the Nation, and you have an expensive business. Despite serious efforts in these directions, Philadelphia has been unable to keep pace with its needs.

Many school districts have gone into heavy debt on their building programs. Failure to allow funds to be used for teachers' salaries would penalize such districts. Philadelphia still depends on substitutes for a part of its teaching force because salaries are low compared with other large cities and suburban communities. And should this Congress enact that portion of this bill which cuts down present Federal aid for impacted school districts under Public Law 874, without safeguards which would insure funds for salaries and special projects, Philadelphia might be worse off than at present.

Since I'm from Philadelphia, I wish to quote Milton J. Shapp, president, Jerrold Electronics Corp., of Philadelphia. He has also been concerned for Federal aid to education. Only the other day I requested permission from him to quote and readily receive it. He said, "The need for better educated personnel is a national problem. Our handling of this problem is a national disgrace. \* \* \* The first rule of business is never to underrate a competitor. We are making a fatal mistake in permitting our school system to limp along in the face of the knowledge that our major competitor considers the education of its youth as one of its prime functions. I have visited Soviet schools, colleges, and laboratories, and have talked to their students, teachers, and professors. I have swapped experiences with many American educators who have also inspected the Soviet educational system. There is no basis for being either smug or complacent about our situation."

I wish to return to my opening statement. Both parties promised, in their platforms, Federal aid to education.

Senator MORSE. Mr. Kampelman.

**STATEMENT OF MAX M. KAMPELMAN, COUNSEL FOR THE AMERICAN JEWISH CONGRESS, ACCOMPANIED BY JOSEPH B. ROBISON**

Senator MORSE. As you know, Mr. Kampelman, we are always glad to have your viewpoint. You know our procedure. You may proceed in your own way.

(The statement of Mr. Max M. Kampelman follows:)

**PREPARED STATEMENT OF THE AMERICAN JEWISH CONGRESS**

The American Jewish Congress welcomes this opportunity to be heard on the pending bills for Federal aid to primary and secondary education.

The American Jewish Congress is an organization of American Jews deeply concerned with the preservation and extension of the American democratic way of life and with the survival and enrichment of the Jewish cultural tradition. Our concern in the field of educational opportunities is long standing and well known. Education being the foundation upon which true democracy rests, we could not fulfill our obligation to preserve and maintain democracy without expending our energies toward the extension of educational opportunities. We have therefore been vigilant and active in the struggle to achieve for all equality of educational opportunity in accordance with the traditions of American democracy. At the same time, we have striven for the preservation of the basic constitutional liberties that have enabled our country to grow into a position of leadership in the struggle for democracy throughout the world.

In keeping with the traditions of our organization, the most recent biennial convention of the American Jewish Congress, held last May, adopted a resolution in which it supported "the principle of Federal aid to public school education" and urged "the enactment by the U.S. Congress of legislation to provide such aid at the earliest possible date." The resolution went on to say: "Such legislation, however, must be consistent with the constitutional principles of equality and separation of church and state."

**THE NEED FOR FEDERAL AID TO EDUCATION**

There is urgent, immediate need for Federal action to stem the drift toward disaster in public education. This committee has already heard convincing testimony on that point—at this hearing and at previous congressional sessions. Almost 5 years ago, on May 9, 1955, in a statement submitted to the House Committee on Education and Labor, the American Jewish Congress reviewed the evidence which even then disclosed a deteriorating situation in our schools and said: "It is unthinkable that another session of Congress should end without the enactment of legislation to provide substantial and generous aid for the construction of public schools throughout the country. \* \* \* Time for vacillation and obfuscation is running out." The situation has worsened during the period of "vacillation and obfuscation" that has passed since that date.

The simple fact is that present methods of financing public schools have not reduced the acute shortage of public school facilities and teachers. With millions of children attending school half time, or in overcrowded classes, or in ramshackle buildings—with school boards increasingly unable to find and pay for competent teachers—it is plain that we face a national problem, harmful to the national interest and requiring national attention.

Perhaps it would be better if State and local governments changed their deeply entrenched practices and suddenly corrected the grave situation that they have allowed to develop. They have not done so in the face of increasing portents of the dangers of inaction. The conclusion is inescapable that they will not and probably cannot. Will not because most State legislatures are stifled by malapportionment. Cannot because of archaic limitations on their taxing power or because of their desire to compete with other States as tax havens.

There is no longer any real doubt that majorities in both branches of Congress favor substantial Federal aid to education. A bill for such aid will be enacted this year unless its approval is blocked by efforts to supply funds to schools that are constitutionally barred from receiving public assistance.

#### THE PRICE WE PAY

The public schools are, of course, more than bricks and stones. The price we pay for the neglect and wastage of our most precious asset, the youth of America, cannot be measured by the cold statistics stated above. A modern school is a community school. It is a community institution in the service of the young and the old alike. It is the institution through which the community expresses its aspirations, morale, and best instincts. But how are these things possible when inadequate schools dwarf and cheat the lives of the young? How much do we pay in prejudice, in delinquency and crime? How do we weigh the loss in capacity to exercise good judgment in voting, to serve on juries with intelligence, to perform the necessary duties of good citizenship? As the Supreme Court of the United States has found:

"It (education) is required in the performance of our most basic public responsibilities, even service in the Armed Forces. It is the very foundation of good citizenship. Today it is the principal instrument in awakening the child to cultural values, in preparing him for later professional training, and in helping him to adjust normally to his environment." (*Brown v. Topeka*, 347 U.S. 483, 493 (1954).)

The problems of our time demand the utmost in intelligence and mature powers of judgment. And yet, in World War II at least 12 percent of the men rejected for military service were found unfit because of functional illiteracy. During the Korean war and specifically between July 1950 and June 1951, about 16 percent of the men who sought to enlist were rejected for failure to meet minimum educational requirements.

The struggle in the world has many aspects, not least of which is the struggle for the minds of men. We need men and women mentally as well as physically fit to serve in our Armed Forces. But we also need teachers, philosophers, technicians, scientists and, above all, an alert and informed citizenry; a citizenry educated in the meaning and values of democracy, conscious of the basic unity underlying American diversity, quick to sense and reject the false appeals of totalitarian dogma. Jefferson's words were never truer: "If a nation expects to be ignorant and free, in a state of civilization, it expects what never was and never will be."

#### THE ADMINISTRATION'S PROGRAM

The principal bill now before this committee is S. 1021, introduced by Senator Morse on behalf of himself and 21 other Senators. S. 1021 embodies the proposals of the Kennedy administration for Federal aid to grade and high schools. Our statement is therefore confined to that portion of the administration's program. It does not deal with those proposals described in the President's special message to Congress of February 20 that covered various forms of aid to post-secondary education.

The President has aptly described the subsidies proposed for grade and high schools as modest. The American Jewish Congress would have supported broader aid, at least as extensive as that approved by the Senate in 1960.

We shall not stress that point, however. S. 1021 and other Federal-aid bills will no doubt be studied by this committee, and will be commented on by persons and organizations closely associated with the schools and familiar with their needs. We are confident this committee and the Senate will carefully consider whether the aid proposed in S. 1021 is enough to do the job that needs to be done. We urge the committee ultimately to report a bill that deals broadly, effectively, and courageously with the school problem. Federal aid to schools is already too late. Let us hope that it will not also be too little.

#### AID TO RELIGIOUS SCHOOLS

The funds provided for by S. 1021 would flow only to grade and high schools operated by public agencies. That is as it should be. The presidential election of 1960 reaffirmed the commitment of the American people to strict separation of church and state. We are gratified that the administration and the sponsors of this bill have adhered to that principle in submitting this legislation.

However, substantial opposition to this aspect of the bill has been expressed. There is no question that efforts will be made in Congress to obtain amendments providing for Federal aid to private schools, including religious schools, in the form of direct grants or loans.

The American Jewish Congress urges this committee to reject any such amendment to the bill. We believe that these proposals challenge one of the basic precepts of our American democratic tradition—that the relation between man and his God is immutably private and personal and may not be either the subject of government control or the beneficiary of governmental support. The confinement of S. 1021 to public schools is clearly in the consistent traditions of our country.

#### THE CONSTITUTIONAL REQUIREMENT OF SEPARATION OF CHURCH AND STATE

The genius of America is largely expressed in the first amendment to our Constitution which declares:

"Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances."

One of America's foremost jurists, David Dudley Field, in speaking of the opening words of this clause, said:

"The greatest achievement ever made in the course of human progress is the total and final separation of church and state. If we had nothing else to boast of, we could lay claim with justice that first among the nations we of this country made it an article of organic law that the relations between man and his Maker were a private concern, into which other men have no right to intrude. To measure the stride thus made for the emancipation of the race, we have only to look over the centuries that have gone before us, and recall the dreadful persecutions in the name of religion that have filled the world."

From the earliest days of our history, the first amendment has been taken as requiring, in the words of Thomas Jefferson, "a wall of separation between church and State." It has always been assumed uniformly, in practice as well as in theory, that this provision applies preeminently to any form of government subsidy to religious institutions. As the Supreme Court has stated repeatedly:

"The 'establishment of religion' clause of the first amendment means at least this: Neither the State nor the Federal Government can set up a church. Neither can pass laws which aid one religion, aid all religions, or prefer one religion over another \* \* \*. No tax in any amount, large or small, can be levied to support any religious activities, or institutions, whatever they may be called, or whatever form they may adopt to teach or practice religion. *Everson v. Board of Education*, 330 U.S. 1, at 15-16; *McCullum v. Board of Education*, 333 U.S. 203, at 210."

We urge strict adherence to this constitutional doctrine not merely out of respect for legal principle but also out of our abiding belief that it advances the best interests of the American people. We would take the same position even if the Supreme Court had never spoken—even if the Constitution were silent. The purely practical considerations that prompted the constitutional fathers to draft the first amendment in 1789 apply with equal force today and warn against the use of Federal funds to aid religious institutions.

#### SEPARATION AS A SAFEGUARD OF FREEDOM

Under, and because of, the American system of separation of church and state, religion has achieved in the United States a high estate unequalled anywhere in the world. As a consequence of more than a century and a half of separation of church and state, religion has grown in the United States to a point where it is by far the most important moral and spiritual force on the American scene. To appreciate this one need only compare the membership in churches and synagogues today when some 60 percent of our population are affiliated with religious bodies, with the membership at the time the first amendment was written when no more than 10 percent of the population was so affiliated. Thus, history has justified the great American experiment, and has proved the proposition on which it is based—that complete separation of church and state is best for church and best for state, and secures freedom for both.



True, there have been occasional departures from the basic principle. Man is imperfect and does not lose his imperfection when he enters the service of church or state. Yet, never in our history has there been an invasion of the separation principle comparable to that now suggested. Congress and the States have uniformly refrained from using tax moneys to aid churches or church schools. For almost two centuries this withholding of public funds has been taken for granted.

If the lessons of these years are cast aside, the evils originally envisaged by the Founding Fathers would become reality. Once it is admitted that public funds may be used for religious schools, there will inevitably be conflict and rivalry among the sects as to how the funds are to be divided. Thus, if the current proposals for Federal loans to private schools were adopted, the Federal officials charged with making those loans would be subject to unceasing pressure from religious groups. Disappointed applicants would exert every effort to elect or seek the appointment of members of their faith on whom they could rely for generous treatment.

The use of governmental funds for religious schools threatens the religious freedom not only of those who are forced to give but also of those who receive. While it may appear to be a heavy burden on religious groups to finance their schools exclusively out of the voluntary contributions of their adherents, in the long run acceptance of governmental support would be even more costly to the cause of religious freedom.

For 2,000 years, Jews have suffered persecution for adherence to their faith. It was in the United States, with its constitutional guarantee of separation of church and state, that Jews first achieved a full measure of equality and freedom. Accepting that guarantee and adhering strictly to it, American Jewry has established a system of afterhour and all-day religious schools of which it has every reason to be proud. The American Jewish Congress believes that it would be a tragic mistake for a principle that has worked so well in practice to be abandoned.

#### AID TO SEGREGATED PRIVATE SCHOOLS

Wholly aside from the separation principle, current proposals for Federal aid to private and parochial schools are objectionable because they would facilitate evasion of the Supreme Court's decisions of 1954 and 1955 requiring an end to State-imposed racial segregation in public schools. It is notorious that those decisions are still being resisted, as a matter of official policy, in a number of States. One attempted method of evasion has been to close the public schools and to resort instead to private schools in which segregation is maintained. This device has largely failed due to the difficulty of obtaining nontax money for such schools and the impossibility of concealing indirect tax support.

If the Federal Government were to start giving subsidies or loans to private schools, this scheme could be revived. No satisfactory way has been devised of framing an acceptable provision that would allow aid to religious schools but not to nonsectarian schools that engage in discrimination or segregation.

#### THE PROPOSED LOAN PROGRAM

There has recently been much talk of Federal assistance to private schools taking the form of long-term, low-interest loans. The theory is, perhaps, that loans would not constitute Government aid even though direct subsidy undoubtedly would.

This theory does not bear close examination. Loans would hardly be sought if they were not a form of aid. It is aid that the schools are seeking, aid that they cannot obtain elsewhere, aid that they can only get from the tax-supported Federal Treasury.

A loan program would still be a use of tax money for the benefit of religious institutions. It would still involve the Government in religious affairs and religion in governmental affairs. It would still be productive of interreligious friction. In short, it would be a breach in the wall of separation carrying with it all the evils which that wall was designed to prevent.

Furthermore, it is plain that the low-interest loan program would be no more than a first step. The supporters of Government aid to religious schools have repeatedly stated their belief that such aid should be given on the same basis as aid to public schools. Thus, once low-interest loans are approved, demand will be made for no-interest loans, then 100-year loans, and then for outright subsidies. Each step will be offered as justification for the next.



## CONCLUSION

The constitutional requirement of separation of church and state was not based on hostility to religion. On the contrary, it grew out of long experience which showed that it was the surest guarantee of religious liberty.

The present controversy, we submit, proves the wisdom of the constitutional provision. It has pitted religious group against religious group to a point of bitterness that threatens to prevent enactment of sorely needed legislation. The surest way to halt that controversy and to prevent it from arising in the future is for Congress to reaffirm, in unmistakable terms, the principle of separation under which religion has flourished in our free country.

MAX M. KAMPELMAN,  
*Washington Counsel.*  
JOSEPH B. ROBISON,  
*Counsel.*

Mr. KAMPELMAN. Thank you, Mr. Chairman.

My name is Max M. Kampelman, and I appear here as Washington counsel for the American Jewish Congress, and I would like to introduce to the subcommittee Mr. Joseph B. Robison, of New York, who is counsel to the American Jewish Congress.

Senator MORSE. We are delighted to have you with us.

Mr. KAMPELMAN. The Congress welcomes this opportunity to be heard on the pending bills for Federal aid to primary and secondary education.

We always want to say, Mr. Chairman, that we are delighted at the opportunity to appear before a subcommittee which is chaired by a chairman whose life energies have been dedicated and devoted to the principles of liberty and freedom which are so strongly maintained by the American Jewish Congress.

The congress is an organization of American Jews who are deeply concerned with the preservation and extension of the American democratic way of life and with the survival and enrichment of the Jewish cultural tradition.

Our concern in the field of educational opportunities is long-standing and well known. Education being the foundation upon which true democracy rests, our country cannot fulfill its obligation to preserve and maintain democracy without expending its energies toward the extension of educational opportunities. And that is the reason why the Congress requested an opportunity to be heard this morning.

This is the reason why the congress has been vigilant and active in the struggle to achieve full equality of educational opportunity in accordance with the traditions of American democracy.

The position of the congress on the field of education is a long-standing one, and it dates back to 1955, when the congress first appeared before a congressional committee on this subject. The congress is persuaded that the present method of financing public schools, through the States and local governments, has not reduced the acute shortage of public school facilities and teachers.

With millions of children attending school half time or in overcrowded classes or in ramshackle buildings, with school boards increasingly unable to find and pay for competent teachers, it is plain that we face a national problem important to the national interest and requiring national attention.

There is no longer any doubt that majorities in both branches of Congress as well as the major political parties favor substantial Federal aid to education. A bill for such aid we trust will be enacted this

year unless it is blocked by efforts to supply funds to schools that are constitutionally barred from receiving public assistance, and the congress does desire to express itself on that problem later in its testimony.

The public schools are, of course, more than bricks and stones. The price that our Nation pays for the neglect and wastage of our most precious asset, the youth of America, cannot be measured by the cold statistics alone. A modern school is a community school. It is a community institution in the service of the young and the old alike.

It is the institution through which the community expresses its aspirations, morale, and best intentions. But how are these things possible when inadequate schools dwarf and cheat the lives of the young?

How do we weigh the price of ignorance and prejudice in delinquency and in crime? How do we weigh the loss in capacity to exercise a good judgment in voting, to serve on juries with intelligence, to perform the necessary duties of good citizenship?

These are the questions and the answers to these questions causes us to welcome this opportunity to participate in the legislative process which we hope will result in intelligent legislation in this area.

The struggle in the world has many aspects, not the least of which is the struggle for the minds of men. We need men and women mentally, as well as physically, fit to serve in our Armed Forces, but we also need teachers, philosophers, technicians, scientists, and, above all, an alert and informed citizenry; a citizenry educated in the meaning and value of democracy, conscious of the basic unity underlying American diversity, quick to sense and reject the false creeds of a totalitarian government.

Jefferson's words were never truer, "If a nation expects to be ignorant and free in a state of civilization it expects what never was and never will be."

The committee has before it a bill introduced by Senator Morse, Senator Humphrey, Senator Clark, and others; 22 of the Senators in all.

This bill embodies the proposals of the Kennedy administration for Federal aid to grade and high schools. Our statement today is confined to that portion of the administration's program. It does not deal with those proposals in the President's special message to Congress of February 20, that cover various forms of aid to postsecondary education and we trust that at some other time we will have an opportunity to testify on that particular field of interest.

The President has aptly described the subsidies proposed for grade and high schools as modest. The American Jewish Congress would have preferred a broader program, but we do not intend to stress that point today, and we believe that the committee, in its judgment, and the Congress in its judgment, will carefully consider whether the aid proposed in the present bill is enough to do the job that needs to be done.

We urge the committee ultimately to report a bill that deals broadly, effectively, and courageously with the school problem. Federal aid to schools is already too late. Let us hope that it will not also be too little.

## AID TO RELIGIOUS SCHOOLS

I should like now to address myself to the question of aid to religious schools. The funds provided by S. 1021 would flow only to grade and high schools operated by public agencies. That is, in the opinion of Congress, as it should be. The presidential election of 1960 reaffirmed the commitment of the American people to strict separation of church and state. The American Jewish Congress is gratified that the administration and the sponsors of this bill have adhered to that principle in submitting the legislation.

However, substantial opposition to this aspect of the bill has been expressed. There is no question that efforts will be made in Congress to obtain amendments, providing for Federal aid for private schools, including religious schools, in the form of direct grants or loans.

The American Jewish Congress urges this committee to reject such amendments to the bill. We believe that this proposal challenges one of the basic precepts of our American democratic tradition, that the relation between man and his God is a private and personal matter and may not be either the subject of government control or the beneficiary of governmental support. The confinement of S. 1021 to public schools is clearly, in our judgment, in the consistent traditions of our country.

Now, in our prepared statement, Mr. Chairman, we do make some comments with respect to the legal basis of this conclusion. I would like to ask the permission of the committee that those comments, as well as other portions of the statement that has not been read, might be printed in the record.

I don't choose to read them in the interest of conserving the time of the subcommittee.

We urge strict adherence to this constitutional doctrine, not merely out of respect for legal principle, but also out of our abiding belief that it advances the best interest of the American people.

We would take the same position even if the Supreme Court had never spoken, even if the Constitution were silent. We take this position as a matter of public policy.

Senator CLARK. If you will permit an interruption, it seems to me that you are on far more sound ground than you are when you get on the Constitution.

This is a question of wisdom, it seems to me, and not of constitutionality.

I know you do not agree but I hope the chairman does.

Mr. KAMPELMAN. Well, I have taken note of the chairman's silence on this question, but I do want to say that while we do take a legal position on this, we are not content, and we agree with you, Senator, we are not content to merely take this position on a matter of what the Supreme Court might or might not do, assuming it ever reached the Supreme Court.

The basic question is also a question of public policy.

Senator CLARK. I think one of the most brilliant legal arguments that I have ever listened to or read in opposition to your constitutional point of view was made on the floor of the Senate last year by the chairman.

Senator MORSE. I hope you gentlemen won't get me in a box about my present silence. I have never been charged with silence before, and I stand on the legal argument I made on the floor of the Senate.

Mr. KAMPELMAN. And the chairman is a most distinguished and able constitutional lawyer, and it is, therefore, not lightly that we disagree with that position.

Senator MORSE. On the argument, Mr. Kampelman, that loans are one thing and grants are another. One cannot, however, segmentize the Constitution to say that if a loan is made for a specific purpose to a private institution it is constitutional, but if it is going to apply to all secondary schools, it is not constitutional.

This constitutional argument, which I understand is the argument of the President, I just don't accept.

Mr. KAMPELMAN. Mr. Chairman, I also want to comment that that is not the position of the American Jewish Congress.

Senator MORSE. I understand that from your document.

Senator CLARK. If you want to proceed on the constitutional argument, which I am very interested in hearing, I wonder if you would be willing to spend a minute or two, explaining why you think that the provision in the Constitution with respect to the establishment of religion can be legitimately construed as prohibiting loans to private schools?

It seems to me that is a pretty big jump.

Mr. KAMPELMAN. Senator, in just a moment our statement does deal specifically with the question of loans which is really the alternative that has been presented to this committee, as I understand it.

Senator CLARK. I just read it with great interest and, perhaps, you would agree that the rest of your very able statement on this question is not really relevant because nobody is asking for anything else.

Mr. KAMPELMAN. Other than loans?

Senator CLARK. Yes.

Mr. KAMPELMAN. Yes. I say this is the relevant alternative that has been presented to this committee, that is the question of loans.

Senator MORSE. Having raised this loan problem, and I have never said this before, but I say it now, I am satisfied that, I know in my argument before the Senate which Senator Clark referred to, loans to private institutions, interest-bearing loans to the private institutions, are constitutional.

There is one problem in connection with them which may very well become involved in the constitutional argument and that is whether or not the interest rate charged covers the cost of the use of the money and all of the implications of that.

In my judgment—

Mr. KAMPELMAN. Well, it is a novel point, Mr. Chairman.

Senator MORSE. I do not think it is so novel. But, in my judgment, I think it goes to the question of the fact of whether or not it is a concealed grant.

Senator CLARK. Would the Chair yield on that remark?

Senator MORSE. Just let me say this so I don't get misunderstood here, and I want to make certain that I am not misunderstood.

When the loans are made, factually the courts can find that the interest charged covers the cost of the use of the money. This is a question of fact which, as you all recognize, can vary from time to time and from situation to situation.

Senator CLARK. If the legislation provided that the cost of the money or the interest rate to a borrower should always be a fraction

of the percentage point above the cost of Treasury borrowing, would this not cover your point?

Senator MORSE. In my judgment, it would not relieve it from contest and determination. We must face that anyway. I don't want to take more time on it now, but I have been charged, and it is a novel charge against me, of proposing a gimmick of indirection, and if this is so, it is quite unintentional on my part.

I thought I had made the point clear but I want it crystal clear now. Any loan program I will support, as far as interest charges are concerned, will have to include language providing for the cost of the use of the money. But, I would say to my critics, the courts are going to take into consideration, in determining that question of fact, to be used as an operative factor, in applying constitutional law principles to the specific case before it, the court will undoubtedly welcome into evidence information as to the interest rate charged on loans made to the Baptist hospitals or hospitals of any other denomination or the interest charge that runs for loans to any other private institution which has religious sponsorship.

Those points become questions of fact in determining what does cover, by way of interest, the cost of the use of the money.

Mr. ROBISON. May I suggest, Senator, that I think that just dealing in terms of the cost of the money is somewhat unrealistic.

What is really at stake here is Government aid to a religious institution, and I don't think that these institutions or the public schools would be coming to the Government if they didn't think this was a program for aid.

The reason that they are asking low-interest loans is that this is a form of aid they can get only from the Federal Government. They obviously cannot get the same kind of assistance from nongovernmental sources, either because of the interest rate or because of the fact that they would have to give mortgage security.

They cannot get this kind of easy credit, let's put it that way, from any place but the Government and they get it from the Government because of the Government's use of the tax power and the fact that it has facilities to do things which the private source of money simply do not do.

You have a very realistic fact here that you have got Government aid, and that is the key concept, not only in the constitutional provisions but also in the factors that underlie the constitutional provision, that is that you get Government involvement in religion; you get the religious groups coming to the Government; you get them competing with each other and the whole issue of religion in Government is raised by such a program.

Senator MORSE. I do not propose to argue the point here now except to say that, when you raise the point, as you gentlemen have, you have ample opportunity to make your case, if you want to make a case on it.

I respectfully point out that I do not think the interest point I raised is unrealistic at all. I think it goes to the very crux of the constitutional question, and I think you will find that once you get a case before the Supreme Court that it is one of the phases of the case which will be dwelt on by the Court very thoroughly.

I will simply say, in passing, the cost of the use of the money does not mean necessarily commercial interest rates such as the Manhattan Bank would charge, or the First National in Podunk would charge. The profit margin of a private financial institution is not involved necessarily in the determination of the real cost of the use of the money. The cost of the use of the money, the Court would be bound to be very much interested in. The Court would be bound to be interested in the fiscal policies of the Government itself in connection with the use of its money in all other aspects of Federal expenditures where loans are involved.

There isn't any doubt about the fact that a private school or a private hospital which comes to the Government for a loan does so because it thinks first, there might be a greater availability of money than in commercial establishments; a longer term use of the money; and also, a lower interest rate than a commercial concern might charge, but that does not mean that the taxpayers won't be collecting the interest rate on the basis of the true economic cost of the use of the money. That is what the Court will determine.

When this principle is protected, I don't think you have a constitutional question involved. In addition, those who will come to the Federal Government will do so because there is a recognition that as far as the child is concerned, the Government does have an interest in the child, and, to the extent of that governmental interest, the Government is entitled to give consideration as to whether it can make money available for the benefit of that child within the frame work of the constitutional guarantees. This again becomes a question of determining, first, the facts and then applying the law to those facts.

I do not think I am talking about an unrealistic problem in this case at all. I am inclined to think that I am talking about a problem which the Court will have to find upon, and, which is very much involved in the crux of the determination.

I close this comment by saying that is not involved, in my judgment, in the consideration of separation of church and state. Whenever the Court gives consideration to the fact that some private institutions are performing a public service I would love to argue the case before the court. I might even resign from the Senate to do it, because I don't know but what this would give me greater opportunity for public service than by staying in the Senate if it got to this point, because there are so many fascinating constitutional phases of this problem which my study shows have yet to be touched upon in the Supreme Court in any case.

This last point I have mentioned is one which requires, I think, great development on the part of the legal profession in the consideration of this case. As Mr. Kampelman knows, I am just waiting for the opportunity, and I hope it comes in my lifetime, but it is going to eventually come, when the Supreme Court, for the first time, really will come to grips with the real meaning of the general welfare clause of the Constitution.

I would like to see the general welfare clause of the Constitution be brought into this constitutional controversy too. I don't accept the view of some lawyers, who hold the view that the Court has spoken with finality on the general welfare clause of the Constitution because they can point to some very restricted decisions on general welfare.



Those restricted decisions are applicable only because of the operative facts involved in the particular cases. We lawyers all know that limitation upon the Court, but the Court hasn't yet, in my judgment, ever had the opportunity to breathe into the general welfare clause what I think its basic constitutional meanings are.

This means that I happen to hold, as you can see, the point of view of the old sociological jurisprudence, that the Constitution is not a dead hand but a living body, and can adapt itself and must make itself adaptable. There are changing conditions that a free society presents which must be met.

I did not mean to give you a part of my lecture on jurisprudence, sir, but you raised it and I wouldn't want this record to be closed this morning with the thought that I think this interest rate problem isn't basic in this matter.

Mr. KAMPELMAN. Mr. Chairman, that is actually the reason why we address ourselves also to the public policy of this question, and I want to say as an aside, Mr. Chairman, that I know of no lawyer or public servant who could more ably serve on the Supreme Court and help mold this Constitution than the Senator from Oregon.

Senator MORSE. I hope you didn't misunderstand me. I want to appear before the Court as a lawyer.

Mr. KAMPELMAN. But I was taking the privilege of making a nomination, Mr. Chairman.

Senator MORSE. Even my ears tingle with flattery.

Mr. KAMPELMAN. But as we know, based on exactly what the Senator is saying now, the framers of the Constitution were well aware, not only of the law that they were attempting to formulate and of the traditions that they were attempting to inculcate in the framing of the Constitution, but they were also fully aware of the practical considerations with respect to the decisions that they were making.

It is the position of the American Jewish Congress here that those purely practical considerations that prompted the constitutional fathers to draft the first amendment in 1789 apply with equal force today, and warn against the use of Federal aids to aid religious institutions.

I want to address myself to these practical considerations of the American system of the separation of church and state. Religion has achieved in the United States the highest state, unequaled anywhere in the world. As a consequence of more than a century and a half of separation of church and state, religion has grown in the United States to a point where it is by far the most important moral and spiritual force on the American scene.

To appreciate this, one needs only to compare the membership in churches and synagogues today when some 60 percent of our population are affiliated with religious bodies, with the membership at the time the first amendment was written, when it was estimated no more than 10 percent of the population was so affiliated.

Thus, history has justified the great American experiment and has proved the proposition on which it is based that complete separation of church and state is best for church and best for state, and secures freedom for both.

True, there have been occasional departures from the basic principle. Man is imperfect and does not lose his imperfection when he



enters the service of church or state. Yet never in our history has there been an invasion of the separation principle comparable to that now suggested. Congress and the States have uniformly refrained from using tax moneys to aid churches or church schools. For almost two centuries this withholding of public funds has been taken for granted.

If the lessons of these years are cast aside, the evils originally envisaged by the Founding Fathers would become reality. Once it is admitted that public funds may be used for religious schools, there will inevitably be conflict and rivalry among the sects as to how the funds are to be divided.

Thus, if the current proposal for Federal loans to private schools were adopted, the Federal officials charged with making those loans would be subject to unceasing pressure from religious groups. Disappointed applicants would exert every effort to elect or seek the appointment of members of their faith on whom they could rely for generous treatment.

This kind of conflict and diversity, in our judgment, would be unhealthy. The use of Government funds for religious schools threatens in our view the religious freedom, not only of those who are forced to give, but also those who receive. While it may appear to be a heavy burden on religious groups to finance their schools exclusively out of the voluntary contributions of their adherents, acceptance of governmental support would, in the long run, be even more costly to the cause of religious freedom.

For 2,000 years, Jews have suffered persecution for adherence to their faith. It was in the United States, with its constitutional guarantee of separation of church and state, that Jews first achieved a full measure of equality and freedom.

Accepting that guarantee and adhering strictly to it, American Jewry has established a system of after-hour and all-day religious schools of which it has every reason to be proud. The American Jewish Congress believes that it would be a tragic mistake for a principle that has worked so well in practice to be abandoned.

Wholly aside from the separation principle, the current proposals for Federal aid to private and parochial schools are objectionable because they would facilitate evasion of the Supreme Court's decisions of 1954 and 1955 requiring an end to State-imposed racial segregation in public schools.

It is notorious that those decisions are still being resisted, as a matter of official policy, in a number of States. One attempted method of evasion has been to close the public schools and to resort instead to "private schools" in which segregation is maintained. This device has largely failed due to the difficulty of obtaining nontax money for such schools and the impossibility of concealing indirect tax support.

If the Federal Government were to start giving subsidies or loans to private schools, this scheme could be revived.

Now the specific proposal being actively put before the Congress is not for direct subsidy but for long-term, low-interest loans.

The theory is perhaps that loans would not constitute Government aid even though direct subsidy undoubtedly would.

This theory does not bear close examination. Loans would hardly be sought if they were not a form of aid. It is aid that the schools

are seeking, aid that they cannot obtain elsewhere, aid that they can only get from the tax-supported Federal Treasury.

A loan program would still be a use of tax money for the benefit of religious institutions. It would still involve the Government in religious affairs and religion in governmental affairs. It would still be productive of interreligious friction. In short, it would be a breach in the wall of separation carrying with it all the evils which that wall was designed to prevent.

Furthermore, it is plain that the low-interest loan program would be no more than a first step. The supporters of Government aid to religious schools have repeatedly stated their belief that such aid should be given on the same basis as aid to public schools. Thus, once low-interest loans are approved, demand will be made for no-interest loans, then for 100-year loans, and then for outright subsidies. Each step will be offered as justification for the next.

The constitutional requirement of separation of church and state was not based on hostility to religion. On the contrary, it grew out of long experience which showed that it was the surest guarantee of religious liberty.

And it is in that spirit that we resist the effort to alter the present consideration. I want to thank you, Mr. Chairman, for the opportunity that you have given us to express our views to the committee.

Senator MORSE. I commend you, Mr. Kampelman, for such an able case which you have made in support of your position. I think you have presented it in a way which is going to call for very careful consideration of every member of this subcommittee.

I appreciate it the more considering the legal challenge, such as the one you presented. I hope that I am a good enough lawyer to analyze thoroughly the legal position of the other side, and, if it is right, I will join the other side. I know my views today.

The latest Supreme Court case, while it does not directly bear on this matter in relation to this problem, probably is dictum, but I think it is interesting that it is a case which I think is the most recent Supreme Court case on the religious issue, made the point that the Federal Government need not be hostile to religion in order to maintain separation of church and state.

What we have to do, it seems to me, is analyze this problem, as you have outlined here this morning, and as Senator Clark and I have outlined it, representing our point of view, to see what restrictions, if any are necessary, will have to be imposed in order to guarantee absolutely that the doctrine of separation of church and state is not violated.

In regard to your concern that some States might use this private school approach as a means of continuing a violation of the Supreme Court decisions on segregation, we discussed that, of course, last year. I think we had the proper checks in the proposed amendment, but I am sure that Senator Clark and I would be of one mind in doing everything we could to see to it that if we had this matter before the Senate again, the checks would be present to prevent any kind of an evasion of the part of any jurisdiction which wanted to continue its violation of the Supreme Court decision.

Senator Clark?

Senator CLARK. Mr. Chairman, I share what you have just said. It appears to me that we have before us two of the brightest legal minds we are apt to get in the course of these hearings.

And I would like to take just a minute, if I might, to explore a little further with them this constitutional point of view. Particularly, Mr. Robison, in your comments a few minutes ago to the chairman, you made what seemed to me a pretty big jump from the words of the Constitution which are "Congress shall make no laws respecting an establishment of religion or prohibiting free exercise thereof." You never used those words. What you used was the phrase "religious institution" and you seem to assume that a religious institution could not be assisted because of the constitutional prohibition against the establishment of religion.

I wonder if you would try to make that bridge for me?

Mr. ROBISON. I do not have to tell you, Senator Clark, that the constitutional provisions are couched in broad language which gradually received their meaning from interpretations of the courts.

Now, we conceive the establishment clause as prohibiting government aid to efforts to propagate religion at the very least. That seems to be a perfectly clear case. This principle, it seems to us, would also prohibit government aid to schools which are established primarily for that very purpose.

Senator CLARK. You think that the Federal aid to private institutions will, under the college housing program which enables them to bring those schools right within the religious college step, from there in the midst of their home, admits religious establishments are unconstitutional?

Mr. ROBISON. Let me say on that that we are also going to develop our position on that when the bills covering graduate colleges and universities are before this committee, but I feel quite confident that we will say at that time that that is unconstitutional.

Senator CLARK. Therefore, in your view, the Congress has for a good many years now been passing unconstitutional legislation?

Mr. ROBISON. I believe that that is a relatively new program, Senator.

Senator CLARK. No. I think you will find that the Fulbright college housing program has been on the books for at least 10 years.

Mr. ROBISON. I am sorry but I am not completely up on the facts on that. I will say that that fact alone would not cause us to change our position on it.

I think this is—

Senator CLARK. You think 10 years of wrong does not make a right?

Mr. ROBISON. Yes. That is right. And also it was a relatively small program. The issue is now up in a much larger form and I think it is going to have to be decided one way or the other.

Senator CLARK. I don't think you are right about that, because the program that Senator Morse advocated last year, in terms of loans to private schools was in terms of money substantially smaller than the college housing program has been for many years.

Mr. ROBISON. But there are many aspects to the program. The programs that are being considered now for aid to colleges and universities would make the total program quite large.

Senator CLARK. But I am asking you and you say, in your opinion, the Fulbright college housing program has been and is now unconstitutional?

Mr. ROBISON. Yes.

Senator CLARK. Now, do you also consider the Hill-Burton Hospital Act unconstitutional insofar as grants are given, as well as loans, to Catholic hospitals where the opportunity of propagating religion with a sick patient is certainly, at least, as great as it would be in connection with education?

Mr. ROBISON. We have thought at the very least there should be safeguards in that bill.

I am sorry, Senator, I don't like to evade questions, but I really would prefer to postpone this discussion until we get to the question which is much more closely related than the college and university program, which I am sure is going to come up before this committee quite soon. Isn't it?

Senator CLARK. Who knows?

Mr. ROBISON. The bill has just been introduced in the last day or two, and I assume there will be hearings on it. And, as you know, this hearing was called on very short notice and we have done our best to formulate our position and state it clearly on the subject of grade and high schools.

I am sure that by the time the hearing is held on these other proposals we will have the answers that we want to give at that point all ready.

Senator CLARK. Do you want to add anything, Mr. Kampelman?

Mr. KAMPELMAN. I would like to add this. I would like to urge two points in connection with this.

Of course, we all recognize that there is frequently a tendency, on the part of the Congress to say, "Well, if it is a constitutional point let's look to the Supreme Court and see what the Supreme Court will say about it." And yet we all also recognize that it is the Congress who has the responsibility also for interpreting constitutional questions.

Senator CLARK. I agree with that. My point would be that if you, gentlemen, want to convince this subcommittee that the loan program is unconstitutional, then I would set your first-class minds to work on rebutting Senator Morse's very able presentation to the contrary last year, which I don't think you have tried to do.

Mr. KAMPELMAN. That is right. We have really this morning, Senator, not attempted to address ourselves to the legal question that you are now raising.

But the second point I was about to mention is that our view on this goes beyond the constitutional question, alone, because we recognize that on these constitutional questions there are honest differences of opinion as to what is or is not the meaning of a phrase or a clause in the Constitution.

Very directly related to this is the question of public policy, of what ought to be done, not ignoring, necessarily, what is legal to be done or constitutional to be done. And we can't get away from the feeling that in connection with the question of education and particularly in connection with the question of the primary and secondary school education that, as a matter of public policy, we should not

begin now a program of Federal aid to religious education, which is in essence of what would be involved in here. As a matter of public policy, we believe this would be divisive in the community and quite unhealthy in the community and, perhaps, might well lead to other abuses that we choose to avoid.

And we do not feel that the Congress, the U.S. Congress, ought lightly to alter a posture which this society has taken now for so many years. And it is for that reason that we particularly urge the public policy question as well as the constitutional question because on most constitutional issues you might hear two attorneys before you and both will very energetically and earnestly and sincerely present their own points of view, and yet they will be diametrically opposed to each other.

Senator CLARK. Well, I agree with you completely that the two issues are quite separate and should be separated; one, the question of the constitutionality and, secondly, the question of the wisdom.

I also rule with you that there is, perhaps, some doubt but I think not much, as to the constitutionality of a loan program.

I have not seen anything yet that makes me believe that there is any real question in the Constitution on it. On the question of policy there is a question.

Mr. KAMPELMAN. May I ask the Senator from Pennsylvania if he personally has any doubt as to the question of a grant rather than a loan?

Senator CLARK. No; I have no question. I think you are right about that.

Mr. KAMPELMAN. You would say that a grant is itself unconstitutional?

Senator CLARK. Yes.

Mr. KAMPELMAN. Then you see the point we make is that we consider in essence a loan to be the equivalent of a grant. Our position would be that the loan is equivalent to the grant, because even though there may be a technical requirement that the interest rate be 1 percentage point above the treasury cost, it is still a form of aid similar to the grant itself.

And we are afraid, furthermore, that the use of the loan makes it as a practical consideration much easier to take the next step which is the grant itself.

Senator CLARK. Well, that is where we differ, and I don't think we want to hold the other witnesses in debating it at greater length, but I do think that you two gentlemen have made a very, very real contribution to clarifying the issues in this problem, and I want to commend you.

Mr. ROBISON. Thank you.

Mr. KAMPELMAN. Thank you.

Senator CLARK (presiding pro tempore). Thank you very much.

Our last witness this morning is Dr. C. Emanuel Carlson, executive director of the Baptist Joint Committee on Public Affairs.

**STATEMENT OF C. E. CARLSON, EXECUTIVE DIRECTOR, BAPTIST  
JOINT COMMITTEE ON PUBLIC AFFAIRS**

Senator CLARK. Dr. Carlson?

Thank you, Doctor; we are happy to have you here. I see that you have a fairly long prepared statement. I would ask that it be put into the record at this point, and let you proceed in your own way.

(Dr. C. E. Carlson's prepared statement follows:)

**PREPARED STATEMENT OF C. EMANUEL CARLSON, EXECUTIVE DIRECTOR, BAPTIST  
JOINT COMMITTEE ON PUBLIC AFFAIRS**

My name is C. Emanuel Carlson. I am the executive director of the Baptist Joint Committee on Public Affairs, with offices here in Washington. This office is maintained by six Baptist fellowships in the United States, having 19 million members, plus our share of the children of the Nation.

The office is primarily an observation post designed to help keep our people informed about trends and developments, most particularly in the field of church-state relations. We operate a news service, with releases going by teletype, by news release copy, and through a monthly newsletter to the leadership and the communications channels of our movement. We also conduct annual conferences on specific church-state problems or some area of discussion, to which the key people in the particular field are invited. This means that our office has very wide contacts with the patterns of Baptist thought, and some measure of depth in the field of church-state relations.

A movement that makes no attempt to maintain a structural unity or an intellectual uniformity must be reconciled to a large measure of diversity and even an occasional contradiction. Baptist history and Baptist policy are both so well known that I need not explain that it is not possible for one person to report the thinking of 19 million fellow church members distributed in about 70,000 local churches. The amazing thing to those of us who work on these problems is the very large measure of consensus which prevails among us on the current meaning of the principles of religious liberty.

We would not pretend any particular competence on the subject of the financing of public education. The adequacy of real estate taxes, of other State sources of revenue, and of the Federal role in these financial programs are not the special areas of our concern. On these topics our people probably distribute themselves in much the same patterns that the rest of the population do in a particular area. However, among Baptists of various fellowships and various areas there is a high concern for an adequate program of public instruction.

This does not mean that we are the less interested in the spiritual alertness and commitment of people. On the contrary, we are so concerned about this dimension of life that we find ourselves obligated to protect its voluntary quality and its genuine character. We are firmly convinced that legally coerced religious worship, religious instruction, or religious support are deleterious to the true spiritual stamina of a people.

The most recent expression of these convictions in favor of public instruction takes the form of a "commendation and approval" of a statement adopted by the general board of the National Council of Churches, bearing the title, "Public Funds for Public Schools." That the convictions of this statement are shared by the Baptist Joint Committee on Public Affairs was recorded by specific action of the committee on March 7, 1961. Accordingly I attach a copy of that paper to this statement.



The church-state topics which are currently most debated in the field of education were carefully studied in a meeting of the Baptist Joint Committee, March 6-7, resulting in the adoption of a position paper as follows:

**"BAPTIST JOINT COMMITTEE ON PUBLIC AFFAIRS**

**"WASHINGTON 9, D.C.**

**"C. Emanuel Carlson, Executive Director**

**"POSITION PAPER ON FRINGE BENEFITS IN AID TO EDUCATION**

**"(Approved by the Baptist Joint Committee on Public Affairs March 7, 1961)**

**"The Baptist Joint Committee on Public Affairs has been pleased by observing a rising public discussion on the proper separation of church and state. Since these issues are inextricably interwoven with the continuation of freedom in America and with its extension in the world at large, the joint committee urges Baptists of all fellowships to give themselves to studies and discussions, and to a careful stewardship of their civic influence.**

**"The attention given to the several issues by the presidential candidates was a significant contribution to this public discussion, enabling the American voters to have a share in the formulation of Federal administrative policy on the subject of church-state relations. In the light of the political experiences of 1960 it now seems desirable that this discussion shall also include all legislators, and State and local administrators.**

**"The support for the constitutional principles of American government at the point of church-state relations, which President Kennedy has frequently expressed, are worthy of special commendation. Furthermore, his efforts to practice these principles in a legislative program are worthy of recognition. We believe that the President speaks on this point for the great majority of the American people.**

**"We especially commend President Kennedy for his frequently expressed support of the constitutional principles of American government at the point of church-state relations. We are confident that Baptists in the United States are overwhelmingly in agreement with the views of the President to the effect that aid to sectarian institutions is clearly unconstitutional. Baptists regard such aid as also unwise, undesirable, and unfavorable to our best national interests. Such aid would be a disservice to freedom and justice. It would start us on the road back into the tragic entanglement of church and state that has produced so much anguish and confusion in the course of human history. With profound gratitude we see in President Kennedy clear evidence of recognition of the basic importance of the principle of separation of church and state.**

**"As Baptists, however, our thinking must penetrate beyond the constitutional principle to the basic principles and values which underlie the Constitution. All instruments of government are living and changing instruments, constantly being made applicable to current issues, and constantly being challenged by other values and other philosophies. A thoughtful appraisal, we believe, will bring our people to a clear awareness of the importance of separation of church and state for the best interests of freedom, and of justice, as well as for the furtherance of true religion and true education. Accordingly, we urge careful study of the following considerations and lines of thought.**

**"I. EDUCATION FOR A FREE PEOPLE IS NOT A 'WELFARE PROGRAM'**

**"The rise of democracy in the United States, including the idea of popular sovereignty based on popular suffrage, required also popular education. The rights of the people to be literate, to have free access to information, and to develop civic competence in a free community that is rich with facilities for personal development, gave rise to the public school system. The public schools were never designed to monopolize the child's learning opportunities. Neither were they designed as pauper relief, nor as 'child welfare aid.' The original vision of an informed people who can think for themselves is still a valid basis of democracy and freedom.**

**"The present-day proposals to change our educational viewpoints and to treat educational funds as aids to a person are to be regretted and to be analyzed in terms of the far-reaching dangers to free community life. The right of Federal and State Governments to provide for special categories of needy people by**



grants to individuals or to families is an inappropriate basis for the provision of educational funds. The extension of the philosophy of the welfare state so as to provide an educational dole would lead to a wide variety of unfortunate results.

"Under such a program the educational fragmentation of the Nation would be unavoidable. Religious, political, economic, and fraternal groups in large numbers would normally wish to advance their particular viewpoints through instructional programs. These could be organized as schools supported at least in part by 'child welfare' funds contributed from the public treasury. This would be intolerable educational chaos developed in the face of enormous educational advances by means of new public systems of instruction in other parts of the world. The American national interests would demand close regulation of all educational institutions with all the unfortunate compromises of freedom which occur whenever a government directs the thought and life of a church or church institution.

"We hope that the application of the welfare concept of 'aid to the person' would be judged as unconstitutional by the administration, by the lawmakers, and by the courts, as a device for distributing public educational funds. The fact that some special educational compensation was distributed to the returning GI's at the close of the war is in no wise a constitutional precedent for current legislative suggestions. On the contrary, the current suggestions are transparent devices for trying to avoid the clear constitutional principles at Federal and State levels.

"In order to avoid confusion of the constitutional principles, we recommend that wherever child welfare benefits of any kind are provided from public funds for private or parochial students, e.g., (a) school lunches, (b) bus transportation, (c) health or dental services, these programs be administered in their proper departments, e.g., (a) welfare agency, (b) public transportation, (c) public health, and accordingly excluded from educational programs and budgets.

## "II. A CLEAR DISTINCTION MUST BE MADE BETWEEN BONA FIDE LOANS AND VARIOUS FORMS OF SUB ROSA AID

"When FHA legislators decided that the Nation's housing needs included housing for the returning GI students and for the teachers who would instruct them, they inadvertently started a long series of developments. The latest chapter in this development is the decision of the Roman Catholic prelates to ask their people to oppose any program of Federal aid to education unless it also provides some assistance to the schools run by the bishops.

"The time has come for Congress to settle this question of loans on the basis of the desirable extent of the Government's participation in the banking business. To insert a loan provision into an education aid bill is to confuse two separate but important public issues. If the Government involvement in our economy includes the handling of long-term loans by Federal agencies then this policy should be legislated with precision. The legislation should avoid discrimination, permitting all categories of institutions to be eligible. If it includes credit to religious institutions it should stipulate interest rates which protect the taxpayer from a coerced religious participation, and it should include appropriate guarantees against forgiveness and power manipulations in church-state relations.

"Such credit legislation does not belong in a Federal-aid-to-education bill, and was properly ruled out of order when offered as an amendment during the sessions of the 86th Congress.

"That the bishops of the Roman Catholic church failed to see this distinction led them to the strange inconsistency in their recent statement. Having stated their viewpoint regarding aid to the person for Roman Catholic parochial students, they used this premise as grounds for asking institutional loans. This self-contradiction indicates that they are really aiming not at bona fide loans but at credit relations which involve immediate or future aid. Apparently the insights of many Roman Catholic laymen, for whom Senator Kennedy spoke in the election campaign and continues to speak for now as President of the United States, are clearer on these constitutional points than are those of the clergy who run the schools.

"Should the Federal Government set up an aid program, which, even under the guise of loans, tries to build up the private and parochial schools with taxpayers' funds, it thereby becomes party to the parochial system in competition with the public educational programs of the several States. A Federal-parochial system of schools will not help the total cause of education, but it does rep-

resent an obvious violation of separation of church and state. Furthermore, additional fragmentation is bound to come until we have what could be listed as Federal-Baptist schools, Federal-Methodist schools, Federal-Roman Catholic schools, Federal-labor schools, Federal-Jewish schools, Federal-white supremacy schools, and many more.

**"III. CHURCHES AND CHURCH OPERATED INSTITUTIONS CAN BE FREE ONLY IF THEY CARRY FORWARD THEIR PROGRAMS ON THE BASIS OF THEIR OWN CONCERN**

"Historically, a spiritual powerlessness has come upon churches when they have become tools for the use of public policy or government. The repetition of such errors must be the more carefully guarded at those times when the churches seem most important to public interests. It is at such times that the temptation arises to undergird the churches with well intentioned motivations which are extraneous to the churches themselves, and which actually weaken the churches.

"One of the more popular suggestions for increasing attendance at parochial schools and the payment of tuition to them is to offer additional tax deductions or credits for parents making such payments. Apart from the Government's role in undertaking such encouragement, two major problems arise.

"Presently the Internal Revenue Service views tuition payments as payments for services rendered. They are not contributions to the schools. If the clear distinction between 'purchase of services' and 'contributions' is blurred by enactment of provisions as now proposed, the new tax reducing device should also apply to other types of service which are purchased. Surely all health expenses, many if not all of the person's recreational expenses, as well as efforts at betterment, would be eligible for consideration. If recognition were given only to those services that have strong lobbying power this would be clear discrimination. That a new line could be drawn which is better than the one presently applied by the Internal Revenue Code is hard to see. The total effect on the U.S. Treasury is also hard to estimate.

"After a full discussion of the church-state issues included in these proposals the Baptist Religious Liberty Conference of 1960 said:

"It is our strong feeling that the Government is not concerned with the motivation or quality of the individual's stewardship. The Church of Christ has the responsibility of trying to develop this quality of an individual's stewardship. But we do deplore the tendency in some quarters to use the deduction idea in order to collect funds for church purposes. We believe this is a part of the secularization process going on in America today.'

"Furthermore, the conference concluded that '\* \* \* we believe that no tax deduction should be granted for tuition for education, and that no Government grants should be made to privately owned, operated, or sponsored schools. Further, we believe that religious training or private education is a personal responsibility and prerogative.'"

**PRONOUNCEMENT ON PUBLIC FUNDS FOR PUBLIC SCHOOLS; BY THE GENERAL BOARD OF THE NATIONAL COUNCIL OF CHURCHES, SYRACUSE, N.Y.**

The churches comprising the National Council of Churches hold in common with many other American organizations, religious and secular, certain convictions and concerns about the role of public education in a free society.

All citizens share responsibility for the general education of all children in our society. The public school, supported by the taxes of all citizens, is the main and indispensable agency for this purpose. Nonpublic schools, however valuable to their patrons and to society, cannot fulfill the responsibility of the whole society for educating all children.

As a nation, it is our duty to encourage the full development of the talents and abilities of all of our citizens. The provision of general education for all requires the mobilization of the best resources of our society to support the public school system, which in many areas is already inadequate to cope with the rate of our population growth and the rapid increase of knowledge.

New public school buildings must be planned and built. More teachers must be recruited and trained. Better methods of education must be perfected and applied. This is a mammoth and long-term effort. Where there is inability or unwillingness in any community to provide adequate educational opportunities for all children, such failure must be remedied by society as a whole.

Sharing these concerns with a wide range of our fellow citizens, the members of the churches which comprise the National Council of Churches have, in addition, convictions which rise more directly out of their faith in Jesus Christ. That the Kingdom of Christ transcends all nations, that no government of men is independent of God, that the survival of our society depends ultimately upon the Providence of God, that no man should be prevented from responding in faith and obedience to God as He is revealed in Jesus Christ: These are some of the specifically Christian convictions that bear upon our attitude toward questions of educational policy in the United States.

Thus, while supporting as Americans the public system of elementary and secondary schools with a host of our fellow citizens, as Christians we stand for the right of all parents, all citizens, and all churches to establish and maintain nonpublic schools whose ethos and curriculum differ from that of the community as a whole. (The Constitution of the United States as presently interpreted guarantees this right.)

In principle, Protestant and Orthodox churches claim the right for themselves to establish and maintain schools in any community where the ethos of the public school system is or becomes basically inimical to the Christian education of our children. But we believe that to encourage such a general development would be tragic in its results to the American people.

The elementary and secondary schools of general education related to or operated by constituent communions of the National Council of Churches of Christ in the U.S.A. value their freedom and independence to witness to the Lord of the Church, and to nurture their pupils in the Christian faith. We do not, however, ask for public funds for elementary or secondary education under church control. If private schools were to be supported in the United States by tax funds, the practical effect would be that the American people would lose their actual control of the use of the taxes paid by all the people for purposes common to the whole society. We therefore do not consider it just or lawful that public funds should be assigned to support the elementary or secondary schools of any Church. The assignment of such funds could easily lead additional religious or other groups to undertake full scale parochial or private education with reliance on public tax support. This further fragmentation of general education in the United States would destroy the public school system or at least weaken it so gravely that it could not possibly adequately meet the educational needs of all the children of our growing society.

We reaffirm our support of the public school system as an indispensable means of providing educational opportunity for all children; we urge provision of increased resources for the operation and improvement of the public schools; we declare our wholehearted support of the principle of public control of public funds.

Therefore:

1. We favor the provision of Federal funds for tax-supported elementary and secondary public schools under the following conditions: (a) that the funds be administered by the States with provision for report by them to the U.S. Commissioner on the use of the funds; (b) that there be no discrimination among children on the basis of race, religion, class, or national origin; (c) that there be adequate safeguards against Federal control of educational policy.

2. We oppose grants from Federal, State, or local tax funds for nonpublic elementary and secondary schools.

3. We oppose the payment from public funds for tuition or scholarships for children to attend private or church-related elementary or secondary schools, or grants to their parents for that purpose.

4. We are opposed to tax credits, tax forgiveness, and exemption from school taxes or other taxes for parents whose children attend nonpublic elementary or secondary schools.

5. We favor the supplying of dental or medical services, lunches, and other distinctly welfare services to all children, whatever school they may be attending, provided such services are identifiable by recipients as public services, and the expenditures are administered by public authorities responsible to the electorate. We are concerned to promote and safeguard the principles already expressed, and to avoid the infringement of religious liberty which arises when taxes paid under compulsion by all the people are used to aid nonpublic schools.

Senator CLARK. You may proceed, Dr. Carlson.

Dr. CARLSON. Thank you, Senator. That is a help. I was hoping you would say that. I find it congenial to come to testify at this point,

following the representatives that we have just heard, because I find that I have so much common ground with them.

Perhaps I should explain that I come to reflect the thinking of a constituency. The Baptist Joint Committee on Public Affairs is the Washington office that serves as liaison between 6 Baptist conventions, with a membership of 19 million, and the problems that have been under discussion just now are very central to our concern and our interest.

So I come to reflect the results of much discussion in conference, much editorial material, and, in a sense, long heritage.

In a movement like ours that makes no attempt at structural unity or intellectual uniformity, we naturally have a good deal of diversity, but the amazing thing to those of us who work with these problems is that here we have very little difference, and that is rather coincidental. So I have a considerable measure of confidence in trying to reflect the viewpoints of our movement.

Let me say also that while we might, in various resolutions, have said some things from different areas with reference to the manner in which public education should be financed, this is not the purpose of my appearing here. I want to continue this conversation on church-state relations.

However, I want the subcommittee to be aware of the very deep concern in all our Baptist fellowships in behalf of an adequate program of public instruction. I shall not take your time to explain how this concern, which runs throughout our tradition, ties in with our theology and our religious thinking, but it is part and parcel of our thinking that people must have free access to knowledge.

The community must be as rich as possible with opportunities and materials for the growth of the human personality to its fullest possible potential.

Now, when we take our emphasis in favor of public education and, by the way, I have chosen to include with my statement a statement recently adopted by the general board of the National Council of Churches, which was formally approved by our joint committee just the other day, and in taking this position we want to be clear that we are not secularist.

So often that mischievous word is used to condemn positions like ours when actually that is the furthestest thing from our interest and our aspiration. We are so interested in the spiritual alertness and commitment of our people that we are concerned that it be maintained on a voluntary and a genuine quality.

It is this concern that brings us to the problem of religious liberty.

We are firmly convinced that legally coerced religious worship or instruction or support is deleterious to the true spiritual stamina of the people.

Senator CLARK. Let me interrupt you just a moment before you get on to that very interesting point, in which I am most interested. But as I understand it, your groups in general endorsed the pronouncement on public funds for public schools which you have attached to your statement and which was issued by the general board of the National Council of Churches.

Is that correct?

Dr. CARLSON. Our joint committee said that this is a good statement on the general emphasis that we like to make on public education.

Senator CLARK. And therefore, I quote, that you—

favor the provision of Federal funds for tax-supported elementary and secondary public schools under the following conditions:

- (a) that the funds be administered by the States with provision for report by them to the U.S. Commissioner on the use of the funds;
- (b) that there be no discrimination among children on the basis of race, religion, class, or national origin;
- (c) that there be adequate safeguards against Federal control of educational policy.

The present bill on which we are holding hearings takes care of all of those conditions; does it not?

And therefore, your group supports the present legislation which is under consideration?

Dr. CARLSON. Senator, I am happy to say that we feel the bill is very clean on these matters.

Senator CLARK. Thank you very much.

Now, go ahead on the other matter.

Dr. CARLSON. The most recent attempt on our part to analyze some of these involvements that develop took place at our last meeting of the joint committee, and out of that meeting there was the adoption of a position paper which is included in the material here, adopted March 7 and it contains a commendation of the very forthright positions that the administration has taken in regard to church-state matters.

I shall not take your time to read that, but it is there and I think it substantiates what we have just said. However, the support of the constitutional principles of American government at the point of church-state relations, as President Kennedy has said frequently, we feel are worthy of our very special commendation. His efforts to practice these principles in legislative programing are also worthy of recognition.

And we feel that he speaks on this point for the great majority of the American people. There are two or three points that I should like to make with reference to the maintenance of the bill.

One is a concern on our part that the education of a free people really ought not to be viewed in terms of the philosophy of a welfare program. We like to think of the public schools, the public educational program, as being part of the facilities of the community for the growth of the people. Just as we have public rules for everyone available and free, so we like to think that there are educational institutions, public schools, and libraries, and the like, to which anyone can go and find his materials and find access to what he needs to think and act effectively as a citizen.

The rise of democracy in the United States, as we see it, included the idea of popular sovereignty based on popular suffrage, and this requires, in our estimation, popular education.

The rights of the people to be literate, to have free access to information to develop civic competence in a free community that is rich with these facilities for personal development, these are the things that give rise to the public school system as we see it.

Senator CLARK. Dr. Carlson, I am interested in your semantics. My guess is that we agree on principle, but we get at it in a different way.

You attacked the thinking of applying welfare terms or such a phrase, an educational dole to the public school system, and I do think the only difference between us is one of semantics, but actually, free compulsory education is a dole, is it not? It takes over the burden of the parents, the requirement of paying out of our own income for the education of children, assumes that obligation on behalf of the State, and it is, in essence, at least, in accordance with some semantics, a welfare mission.

Dr. CARLSON. Well, I recognize that there is this problem in the use of the term "welfare."

The term in the Constitution is undoubtedly a broader term than I am using now in this welfare conference, but what I am saying is that we would regret if the time should come when there is a handing out, personal operation, that takes the place of a rich community experience.

Senator CLARK. You are not by that statement condemning scholarships, are you?

Dr. CARLSON. No. Particularly a scholarship would fit better in my thinking in the higher educational level than it would at the elementary or secondary level.

Senator CLARK. Because you don't need it at that level if you get the education free.

Dr. CARLSON. That is right. And the diversity of the higher level is so much greater that there is need for the kind of handling of the problem there.

Senator CLARK. Well, really, it is kind of an accident of history, isn't it, that we cut off free and compulsory education at the 12th grade?

You might just as well have cut it back to the seventh grade or pushed it back to 4 years of college.

So there is at least one school of thought which I tend to agree with that these are just matters of degree and not questions of principle.

Dr. CARLSON. Well, to me they are basically relationships to the economy and the society, the culture in which they exist. An eighth grade education may have been quite satisfactory in rural America.

I am sure in modern times, and this technological age, we might well want to push it through junior college.

Senator CLARK. We are in accord.

Dr. CARLSON. Thank you, Senator.

The second point I should like to emphasize is that we feel that a clear distinction must be made in the area which you have just recently discussed, between bona fide loans, as we use that word in the English language, and various forms of aid that might be called loans.

Now, we feel that this is a problem that can be untangled and we have not attempted to determine or have a voice in it, in the extent to which Government participates in the credit operations of the Nation.

If long-term credit operations are necessary, some segments of American life or some individuals may object, but our movement, as such, does not snag. However, when the FHA legislators decided



that the Nation's housing needs included housing for the returning GI students and for the teachers, we seemed to have started out on a course that promised to lead a long way in the direction of aids.

The latest chapter in this is being written here today, I believe. We feel that the time has come for Congress to settle this question of loans on the basis of the desirable extent of the Government's participation in the banking business. To insert a loan provision into an education-aid bill is to confuse two separate but important public issues.

If the Government involvement in our economy includes the handling of long-term loans by Federal agencies, then its policy should be legislated with precision as a particular item. Legislation should avoid discrimination, permitting all categories of institutions to be eligible.

An aid bill is likely to provide for some particular segment that meets a set of criteria on an aid nature, and those selective factors would shift the loan into the area of loan rather than credit.

If such legislation includes credit to religious institutions, it should stipulate interest rates which protect the taxpayer from coerced religious participation, a point which has been ably discussed here this morning.

And it should include guarantees against future forgiveness features.

Senator CLARK. Let me interrupt you for just a minute, Dr. Carlson, to ask you whether, under the college housing program, you know if any educational institutions, supported by your church or branches thereof, have taken advantage of that program?

Dr. CARLSON. Yes; we have. It came as an issue as we just started after the war, when there was a great dearth of housing, and this was viewed among a number of our schools as being a business operation on the campus for which Government credit was a legitimate thing, and so dormitories were built on self-amortizing bases, and this kind of operation.

The assurance at that time was that the interest rate was adequate to cover the cost of the loan, and there was no imposition on the American taxpayer and some of our schools went into it.

As the program has unfolded, however, there have been occasions to consider whether or not we are on the right course in even this matter. And there will be at the present time considerable differences of opinion among us as to whether we should go further along this way or whether we ought to back up. It came on us at the point of expediency, at the close of the war, and there was very little deliberation on the basic principles of longtime policy.

Senator CLARK. How about the Hill-Burton bill? Do you have Baptist hospitals?

Dr. CARLSON. We have a good many Baptist hospitals, but at that point our institutions have held off. They felt that this was entering into the ministry of the church.

And I do not personally know of any Baptist hospitals that belong to or are operated by a Baptist convention that have accepted Hill-Burton funds. However, there are some hospitals called Baptist hospitals that have been set up under self-perpetuating independent boards that have accepted such funds.



And so here, again, we have been caught in a rapidly unfolding program of expediency, and our lines may not be as completely clear as we would like them to be.

Senator CLARK. Do you agree that both of these areas are dealing in a gray zone so that it is very difficult to be accurate about it?

Dr. CARLSON. That is right. But in this gray, our concern has been to sort out the values and to make our way in the terms of the long-range policy, in terms of the objectives that are sound and valid, for the welfare of religious education and health and welfare of all concerned, including the American community as a whole.

I think probably, Senator, we have said enough there, since you have the statement. I would like, however, to add a thought with the emphasis on expediency that has prevailed in the last 10 years or so, that there has arisen among Baptists also question.

Perhaps we ought to press into the field of education, and we have a small minority of disgruntled parents whose children perhaps didn't do so well, and I talked to one yesterday, and the question was, "Are you sure the public schools are all wrong, or perhaps communistic?"

My guess is that his children have had a little difficulty somewhere, but if this business of using Federal funds to aid church schools develops, we are going to be hard pressed by some people who tend toward expedient answers to develop a Baptist system of education, as well.

Senator CLARK. It might be difficult for you to get in under the tent if the provisions which were in the Morse amendment last year were to be in any bill or amendment drafted this year, because it would not take care of newly organized school systems.

Dr. CARLSON. Well, I recognize that there was a written-in defense there which, of course, wouldn't make the legislation any more acceptable.

Senator CLARK. I understand that.

Dr. CARLSON. Because it had some earmarks to it that we would not favor.

But we do not look with hopefulness on the day when a Federal parochial system of schools might include a set of Federal Baptist schools and a set of Federal Methodist schools and a set of Federal Roman Catholic schools, and Federal labor schools and Federal Jewish schools and, as has been pointed out, some Federal white supremacist schools might develop in the program.

That kind of fragmentation of the American educational program would seem to us to be a regrettable development. We are not attempting to evaluate constitutional issues here, but we are looking at the long-range policy wisdom as we would like to exercise our influence for good.

Senator, I think that is the burden of it. There are other suggestions which I have included in the paper—a statement on the use of the tax deduction feature for the encouragement of support of religious programs, which produces another kind of gray and difficult area that will call for careful study.

But I think that is not an allied issue in this bill, and we would save that for conversation when it is needed.

Senator CLARK. Thank you very much, Dr. Carlson.

I read your statement which I think makes a very real contribution to the work of this committee and we are grateful to have had you here today.

Dr. CARLSON. Thank you.

Senator CLARK. Yes.

The subcommittee will stand in recess until 2 o'clock this afternoon.

(Whereupon, at 1 p.m., the subcommittee recessed, to reconvene at 2 p.m., the same day.)

#### AFTERNOON SESSION

(Present at the afternoon session: Senators Morse (presiding), Clark, Randolph, and Case of New Jersey.)

Senator MORSE. The hearing will come to order.

I want to say to Dr. Carlson, the executive director of the Baptist Joint Committee on Public Affairs, that I am very sorry I was not here to hear his testimony. I didn't anticipate his testifying this morning. I thought we would probably stop with the last witness on the agenda. I can't say that I have read your testimony thoroughly since, but I have seen it, and I want to thank you for giving the subcommittee the benefit of the point of view presented in the statement. I, also, shall read with interest the colloquy which I understand took place between you and Senator Clark.

The same ruling that I have previously made in the record applying to all witnesses, including yourself, is that we reserve the right to submit to you a memorandum containing some questions which we may find, as the result of our executive discussions, that we would like to have the benefit of your opinion on. We also reserve to you the right—and this goes for all the other witnesses who have testified and may testify—or rather the privilege, of filing a supplemental statement before I close the official record of these hearings.

I want to make that ruling perfectly clear. After we finish the hearings, the formal hearings—I hope it will be Monday or Tuesday, or certainly by Wednesday; our goal is Monday but I doubt very much if we can finish by Monday, but I would like to finish at least by next Wednesday—I shall keep the record of the hearings open until Monday noon of the following week. During that time period I instruct the staff to receive for the record, from any of the witnesses who have testified in the hearing or who filed statements in the hearing, any supplemental statement that they may wish to file.

What I have in mind is to assist those witnesses who may wish to supplement their statements by way of rebuttal statements based upon testimony received from others in the hearings. All I seek to do is get the full record of all points of view. I think this is the best way to guarantee it.

So let the record show that the hearing record will stay open for what amounts to 3 or 4 days thereafter. We will make it definite and certain at the end of the hearing, for the filing of supplemental statements.

Our first witness this afternoon will be Mr. C. Stanley Lowell, associate director of Protestants and Other Americans United for Separation of Church and State.

Mr. Lowell, we are pleased to have you with us. I noticed you in the hearing room. You are aware of the procedures we are following. You, too, may proceed in your own way.

## STATEMENT OF C. STANLEY LOWELL, ASSOCIATE DIRECTOR OF PROTESTANTS AND OTHER AMERICANS UNITED FOR SEPARA- TION OF CHURCH AND STATE

Mr. LOWELL. Thank you, Mr. Chairman.

My name is C. Stanley Lowell. I am a Methodist minister, the associate director of Protestants and Other Americans United for Separation of Church and State. Represented on our governing board are high ranking churchmen of the major Protestant denominations and also men who have served as leaders of the National Council of Churches, the Southern Baptist Convention, the National Association of Evangelicals, and educational and fraternal groups. Our regular membership is now about 150,000, and growing steadily. We supply church-state information to the leaders and publications of most Protestant, Jewish, and Orthodox groups.

I should like to have your permission, Mr. Chairman, to submit in addition to the rather brief oral testimony which I shall present what I have called here a supplementary statement for the committee, and for the record if I may.

Senator MORSE. The supplemental statement will be received and printed in the record.

(The statement referred to follows:)

### SUPPLEMENTARY STATEMENT OF C. STANLEY LOWELL

#### I FREEDOM OF CHOICE

It is often argued by protagonists of Federal aid to church schools that if aid is not given parents "freedom of choice" in education is destroyed. Does the parochial school system rise from the free choices of parents? We contend that its basis is, rather, in a denominational rule, Canon Law 1374, of the Roman Catholic Church, which requires Catholic parents to keep their children out of public schools unless the bishop is willing to make an exception, and to send them to Catholic schools.

"Catholic children may not attend non-Catholic, neutral, or mixed schools, that is, those which are open also to non-Catholics, and it pertains exclusively to the Ordinary of the place to decide, in accordance with instructions of the Holy See, under which circumstances and with what precautions against the danger of perversion, attendance at such schools may be tolerated." (Canon 1374 of Roman Catholic Canon Law, with comment from Bouscaren and Ellis' Canon Law, p. 704.)

This decision made in Rome by the head of the Roman Catholic Church and written into official canon law was formally accepted by American hierarchy of this church at the Baltimore Plenary Council of Bishops, 1884. This body ordered every parish priest to establish a school in conjunction with his parish.

The Roman Catholic people have never had any part in this decision whatever. The decision to establish these schools and send their children to them was simply a fiat of their ecclesiastical leaders which they are forced to obey whether they like it or not. There are, of course, no civil penalties but there are far more serious and formidable penalties by which any defection at this point can be curbed.

The denominational law which requires attendance of Catholic children at Catholic schools has been made solemnly binding on all members and has been reinforced with the direct threat of excommunication by an instruction of the Holy Office, November 24, 1875:

"Parents who neglect to give this necessary Christian training and education to their children, or who permit them to attend schools where spiritual ruin is inevitable, or finally who, although there is a suitable Catholic school properly equipped and ready in the locality, or although they have means of sending their children elsewhere to receive a Catholic education, nevertheless without sufficient reason and without the necessary safeguards to make the proximate danger

remote send them to the public schools—such parents, if they are contumacious, obviously according to Catholic moral doctrine cannot be absolved in the sacrament of penance.” (Instruction of the Holy Office, Nov. 24, 1875, concerning Catholic parents who refuse to send their children to Catholic schools, as quoted in Canon Law, p. 706.)

This is not ancient history by any means. All Catholic dioceses have their own rule implementing Canon 1374. The enforcibility of the rule is well understood by the laity of the church. In the Roman Catholic publication *The Sign* for September 1960, the question is raised:

“Are Catholic parents bound under pain of mortal sin to send their children to be educated in a Catholic school, where there is room in the school for them? If so, does this apply to children of mixed marriages?”

The Catholic authority answers:

“Catholic parents and guardians have a grave obligation in conscience to send their children to Catholic schools, where they are available and there is room for them. It belongs to the bishop of the diocese, alone, to determine when departure from this law may be permitted and with what provisions the absence of religious instruction must be supplied, in accordance with the instructions of the Holy See (Canons 1372, 1374). This law also includes children born of mixed marriages \* \* \*.”

There are on record instances where disobedience to Canon Law 1374 has brought the severest penalty of the church—that of excommunication. This entails not only the cutting off of the victim from participating in rites of his church and the forfeiting of his hope of heaven, but also involves complete social ostracism at the hands of his coreligionists.

In 1951, for example, Mr. Henry Gau, a citizen of Roman Catholic faith, was excommunicated by his church for his advocacy of the building of a public school to serve all the children of Pierz, Minn., whereas local priests had instructed the faithful to favor construction of a parochial school to serve only Catholic children.

To state therefore that these schools represent the free choice of parents and/or their children seems to us not a factual statement. Parents do not own the buildings. They do not engage the teachers. They do not decide whether they want to send their children to them or not.

The Catholic school system represents a choice not by parents but by clerics. It is this choice which the Federal Government is now importuned to subsidize.

## II. TAXES FOR RELIGIOUS TEACHING

The argument that schools with “God” in them should not be discriminated against in Federal aid programs is superficially clever but lacking in substance when used to justify aid to Catholic schools. There is much sound moral and ethical teaching in Catholic schools just as there is in public schools. But much that is included in the sectarian teaching program of Catholic schools would be objectionable to Protestants and Jews as well as to those of no formal faith. Below are a few paragraphs from a book on religion widely used as a text on this subject in Catholic schools. The book is entitled “Living Our Faith.” It is by Father Anthony J. Flynn, Sister Vincent Loretto and Mother Mary Simeon. It is published by W. H. Sadlier under the imprimatur of Cardinal Spellman. I read at page 112:

“Subject 24. False worship.

“Catholic worship: Christ is God and the founder of the Catholic Church. These truths are the very cornerstone of our faith. Christ left to His Church not only the body of revealed truth but the authority to make laws for the worship of God. No other institution on earth has the same power. All other ways of worshiping God, found in the numberless non-Catholic societies, are false.

“Counterfeit religions: The material, size, and shape of the paper and metal money in the United States is determined and authorized by the Government. No other money is legal tender, and any other agency issuing such money is guilty of counterfeiting. In the same way, non-Catholic methods of worshiping God must be branded counterfeit. Each in its own way more or less imitates the true religion, yet lacks the true value of the genuine faith of Christ. Therefore we cannot practice them without dire penalty.

“Non-Catholic services: A Catholic who attends a Protestant service violates his faith in three ways: (1) he sins by false worship, (2) he weakens his own

faith, and (3) he gives scandal. The Catholic knows that his is the only true religion just as clearly as he knows that two and two make four. Should he associate himself with non-Catholics in religious services, he would join a group which broke away from the true Church established by Christ Himself. Thus he would sin by false worship.

"Furthermore, he thus weakens his own faith. This is caused principally by the fact that he has committed a sin of false worship. He also has acted contrary to his deepest religious convictions by approving of religions which are in opposition to his own. Such acts are blows at the heart of faith and lead eventually to its destruction.

"Giving scandal: A third and grievous effect of a Catholic attending non-Catholic religious services is the scandal he gives by being present at places of false worship. In so doing he not only suggests to others the possibility that their religion can be right but sets an example of false worship before his fellow Catholics which might lead them to commit the same sin."

We object to paying the bills for a kind of education which indoctrinates little children with the idea that our own religion is counterfeit and that, like counterfeit coins it ought to be retired from circulation. It is one thing to have the freedom to teach this kind of doctrine to children; that is simply freedom of religion. It is quite another thing to force me to pay for such teaching. That is the destruction of my freedom. That is tyranny.

If public aid were to be provided for Catholic schools, then we believe the Congress should move immediately to eliminate from the teaching of these schools anything that is hostile to or contemptuous of other faiths in our population. Let it also move toward proper standards and supervision for the teachers in these schools since it is known that they frequently fall below the standard of the public schools.

Let the Congress move to supervise and inspect and oversee what the taxpayers' money is supporting. That is properly done in every other instance where public funds are expended. Why not here? The Roman Catholic bishops ought to be plainly told that the moment they accept tax funds for their schools that moment they must also be ready to accept public supervision, inspection, and control. How can it be otherwise when taxpayers' money is being expended?

Senator MORSE. May I ask you, are you planning to read the statement that I hold in my hand that you have submitted to the subcommittee or do you wish to have me order that this statement also be printed in full and then you can proceed to summarize it in your own way? Either way is all right with me.

Mr. LOWELL. Well, I would like to read, Mr. Chairman, the first six pages, I think it is here.

Our concern here today is not with Federal aid to education as such. We neither support nor oppose it. We are concerned with the strict adherence to our historic principle of church-state separation in any aid program which may be adopted. This principle is embodied in the first amendment as interpreted by the Supreme Court of the United States. The first amendment says: "Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof." The Supreme Court of the United States has traditionally interpreted this as prohibiting the use of public funds for the support of religion. In the 1947 case of *Everson v. Board of Education*, for example, the Court said:

The "establishment of religion" clause of the first amendment means at least this: Neither a State nor the Federal Government can set up a church. Neither can pass laws which aid one religion, aid all religions, or prefer one religion over another. Neither can force nor influence a person to go to or remain away from church against his will or force him to profess a belief or disbelief in any religion. \* \* \* No tax in any amount, large or small, can be levied to support any religious activities or institutions, whatever they may be called, or whatever form they may adopt to teach or practice religion.

In *Zorach v. Clausen*, 1952, the Court repeated its financial proscription of aid to churches or their schools, saying: "Government may not finance religious groups. \* \* \*"

On the basis of our church-state concern, Mr. Chairman, we feel that the bill before you, I refer to S. 1021, is, in its present form, unimpeachable. Since we understand that this bill represents the views of the administration we want to commend President Kennedy for strict adherence to his campaign assurances that he opposes as unconstitutional any Federal aid to church schools.

May I say, Mr. Chairman, we are glad to note the senior Senator from Oregon in the chair at these hearings, because if I recall correctly, he was the former dean of a great law school in his own State of Oregon, and we know therefore that he will give careful and close attention to the constitutional issues involved.

Our position at this point is clear and unequivocal.

We oppose all direct aid to church schools and colleges, whether they are Protestant, Roman Catholic, or Jewish. We are well aware that proposals for aid to church schools are being pressed by the bishops of the Roman Catholic Church which operates more than 90 percent of the sectarian schools at the elementary and secondary levels and by the majority leader of the House of Representatives.

Cardinal Spellman has attacked the proposals submitted by President Kennedy on the ground that these proposals "would use economic compulsion to force parents to relinquish their rights to have religion taught to their children." He has charged that these proposals discriminate against children attending church schools, "depriving them of freedom of mind and freedom of religion. \* \* \* It is unthinkable," he added, "that any American child be denied Federal funds because his parents choose for him a God-centered education."

The language employed by the cardinal clearly implies a program which envisages the ultimate transfer of the entire expense of these denominational schools to the American taxpayer. It should be recalled, Mr. Chairman, that in 1947 when Monsignor William E. McManus appeared at hearings of a subcommittee of the House Committee on Education and Labor, officially representing the National Catholic Welfare Conference, he said:

In financing of schools through public taxation is a responsibility of government, especially of local and State governments. This responsibility entails an obligation to observe the norms of distributive justice in distributing tax funds among the schools within the community. Since government itself has nothing to teach, and because government receives a full return from its educational investment when a school produces well-trained citizens, therefore, every school to which parents may send their children in compliance with the compulsory education laws of the State is entitled to a fair share of tax funds. Local and State governments which refuse to support schools not under the control of the local school board are guilty of an injustice against other qualified schools within the community (House Committee on Education and Labor on Federal aid to education, 1947, pp. 310, 311).

It should be recalled, too, that on November 21, 1948, the American hierarchy of the Roman Catholic Church issued an official statement attacking the Supreme Court of the United States for decisions which interpreted the first amendment in terms which prohibit the use of public funds for support of church schools. They called upon their people to work peacefully, patiently, and perseverely to supplant this interpretation with another under which every Catholic institution



in the United States could be supported out of tax funds. (See "The Christian in Action" a statement of the Roman Catholic bishops of the United States, Nov. 21, 1948.)

Then on March 1, 1961, Archbishop Karl J. Alter, speaking for the American Catholic bishops, called for inclusion of Catholic schools in the Federal aid program in the form of long-term, low-interest-rate loans for construction of private schools.

It is quite apparent, therefore, that we have two points to consider. First, the long-term goal of full tax support for these schools and, second, the immediate objectives of the bishops' program. The second derives its real importance from the first. Any concession to Catholic schools in a Federal aid program will only serve as a precedent to extract further benefits. Soft loans for construction of Catholic schools today will point inevitably to grants for the same purpose and other purposes tomorrow. The only realistic testimony, therefore, is that which addresses itself directly to the total concept of Federal aid to sectarian schools.

One argument for public assistance to Catholic schools as advanced by the Catholic bishops is based on the contention that if public schools only are aided and these sectarian schools are not, that children in them are discriminated against and are not given benefits which other American children receive at the hands of the State.

I may say I think it is just a bit unfortunate that the representatives of the National Catholic Welfare Conference and other representatives of this church have not yet appeared, for we are just a bit in the dark as to what their presentation will be. I caught the remark of the chairman that subsequent statements would be admissible, and I think that is very helpful.

Senator MORSE. I want to be very specific about it. That is one of the reasons why I have issued the order that the opportunity to file rebuttal statements would be made available.

Mr. LOWELL. Yes, sir. Thank you.

Let us examine this argument. Surely it is clear that no Catholic child has ever been barred from the service offered by public schools because of religious reasons. There is no religious test for admission. There is no religious discrimination whatever in these institutions. They are open to children of all faiths, Roman Catholics included.

When a given group of the clergy direct their followers not to use the public's schools and to send their children, instead, into a private, religiously segregated system, that is their affair. They have by their own decision chosen to do so. But when they encounter financial difficulties as a result of this policy, how can they in conscience blame the Government for their plight? And how can they plead that they have been deprived of their rights? We must insist that there is no discrimination in a public policy which requires every church to pay its own bills.

As a matter of fact, the choice to send Catholic children to Catholic schools is not one made by their parents. It is a choice made for them by Canon Law 1374 of their denomination which requires them to use Catholic schools unless the bishop is willing to make an exception. Relief may lie not in pressuring the Congress of the United States to change the country's traditional pattern of church-state cooperation, but rather in amending a denominational rule.



Protestants, Jews, persons of no faith and, we doubt not, many Catholics as well, object to being taxed for religious teaching. That is what would be involved in any public assistance to sectarian schools. We must inquire as to what is the basic purpose of such a school. There can be but one answer: Its basic purpose is to teach religion, to provide the kind of sectarian indoctrination favored by the religious group involved. Nothing that we had read as to the nature of Catholic schools dispels this impression; everything that we read about them confirms it. Catholic schools are a basic feature of the parish, not distinguished from the church but a part of the church. So there can be no difference between aiding the church and aiding the school since they are one and the same.

It is argued that long-term, low-interest loans for construction of church schools would not come under the constitutional prohibition. We cannot agree. We hold that the use of public credit for the benefit of church schools falls squarely within the constitutional ban as our Supreme Court has consistently applied it, for, clearly, such a scheme would be making use of public taxes for religious establishment.

If I may interpolate, Mr. Chairman, I was pleased to note that President Kennedy, on Wednesday of this week, took that identical position, that in his point of view the assistance in the form of such loans to church schools would be unconstitutional.

A loan program for churches would immediately be disapproved of as unconstitutional. I emphasize that—a loan program for churches.

Why any less unconstitutional when the loan is to a school integrally owned and operated by a church? Practically all church schools in this country are so owned and operated. We believe such use of the public credit falls squarely within the prohibition of aid to churches.

I should like to call attention to the end result of a program of grants to church schools or loans to church schools. Once the Congress reverses our tradition and embarks upon such a course, it will find that turning back is extremely difficult. The movement tends to be the other way. From small loans to large grants—so the process unfolds—until the taxpayers are charged with the entire bill for these schools. The taxpayers would thus be required by law to pay for two school systems—the public-owned-and-operated system serving all citizens, and a church-owned-and-operated system serving the sectarian ends of this private group.

If the Catholic schools were to receive what their leaders call distributive justice in education, they would be paid close to a billion and a half dollars annually out of tax funds at all levels. When one considers that all the Protestant churches, and the Orthodox as well, in the United States, raised last year just about \$2½ billion through voluntary gifts, he realizes the effect that such a subsidy program would entail. We are not considering the end of that development here today but we are considering the beginning of it. A bad beginning can only lead to a bad end.

I trust the Congress will contemplate the intercreedal bitterness which inheres in any program of Federal aid to religious schools. I should like to cite at this point, Mr. Chairman, an editorial in the *Christian Century*, which is probably the best known Protestant publi-

education in the United States. In its issue of February 1, 1961, the Century editorializes as follows:

Cardinal Spellman has not changed his mind. His aim is still to compel Protestants, Jews, and others to support a wholly controlled function of the Roman Catholic Church. The compulsion lies in the use of the taxing powers of the Federal Government to raise funds for Catholic schools. He has given us fair warning, so he should have our answer. American Protestants will never pay taxes to support Catholic schools. We will oppose enactment of laws which require such payments. If Congress is pressured into enacting such laws, we will contest them in the courts. If the courts reverse themselves and declare such laws constitutional, we will still refuse to pay these taxes, paying whatever price is necessary to preserve religious liberty in a pluralistic society.

That is strong language, Mr. Chairman.

Senator MORSE. I thought it might well have come from Gandhi.

Mr. LOWELL. I can assure you it would be among the mildest expressions on record should the Congress initiate a program of taxing all citizens to pay for religious teaching. This program would provoke such outbreaks of intercreedal vituperation as would hitherto have been deemed impossible among us. Such intercreedal bitterness has been avoided to this point by the very wall of separation which it is now proposed to breach.

There would be, again, a practical disruptive effect from any program of Federal aid to church schools.

I noticed that in Dr. Carlson's testimony this morning. Other religious groups within the Nation will not view with equanimity, but with a mounting sense of rivalry and challenge, the commencement of a program which would carry large benefits for only one church. They will, when aroused, fight such a program to the last ounce of their strength, though the main thrust of their struggle may well come too late. If they are overrun by superior political might, they will then become religious pressure groups themselves. They will found their own religiously segregated school systems, and, instead of one religious pressure group, as we are confronted with today, there will be 250-odd—all striving to get their cut out of the tax melon—and, of course, maybe a little bit more.

This is not only what they will do—it is what they ought to do. Not to join the scramble thus opened up would be to acquiesce in an uncontested deterioration of their own status within the Nation. We beseech you, gentlemen, do not untie this bundle of furies. Do not strike this blow at our national unity. Do not make this first experiment upon our liberties.

Thank you very much, Mr. Chairman.

Senator MORSE. We are very glad to have this statement. As I said, the supplementary statement also goes in the record and any further statement you want to make at a later date will go into the record.

I think I have only one question. As I was following your statement, I noted the stress which you laid upon no assistance being given to religious schools. I began thinking about the long history of our granting tax relief to churches, charitable institutions, and I asked counsel to get me the legislative reference for it. In his usual efficient manner, he has supplied 501(c)(3) of the Internal Revenue Code which provides the tax benefits for these ancillary institutions, churches, and since granting tax exemption is a form of financial assistance to church schools, isn't it—

Mr. LOWELL. I would say that tax exemption for church property has a history and rationale of its own, Mr. Chairman. I would certainly put this in a different category from the use of the credit of the Federal Government or the use of its taxing power in a direct way to assist a church. I think that would stand in distinction from a tax exemption policy which has been used in the past as an encouragement to church enterprise, particularly at a time when churches were young and struggling organizations. I see a distinction between the two.

Senator MORSE. Let me assure you I seek not to argue, but I want to clarify it. Maybe it is a matter that you will want to cover or others may want to cover in supplemental statements. I do think that somewhere in this record we need to have a clarification of the difference from the standpoint of the constitutional question of a loan to a church school and exempting of the church school from any tax burden.

Senator CLARK. Mr. Chairman, a loan going to a church school for construction purposes; is that right?

Senator MORSE. Well, for construction purposes—but let us take any loan program for educational purposes for the benefit of the boys and girls.

I only raise it, Reverend, because, by raising it, I think I illustrate further—biased as I am on my wanting to get this bill through without amendments—how right I think I am in suggesting that we keep all these matters not related to public construction out of consideration until we get this bill passed.

I make no value judgment on this other than to say that when I take your statement and note the emphasis that you have placed on the matter of aid, does this result in aid, that should mean financial economic aid—I find a little difficulty in saying to myself that I am not aiding the church or a school, a church school, if I vote to give it fire protection, give it police protection, give it all the protection that taxes are supposed to help pay for, but give it to them free in that I don't require tax payments. I have just been thinking about this, as we lawyers will say, in a curbstone manner in the last few moments, and you are responsible for it for you stimulated it, and it has been going through my mind. I should go to the books before I go to vote on the matter, but you can be of help to me, too, I think, in a supplemental statement.

Mr. LOWELL. Of course, I would say, Mr. Chairman, that even that question of tax exemption for churches is one that is not sacrosanct and needs constant study and survey and appraisal. I note an article by Dr. Eugene Carson Blake, former president of the National Council of Churches, in which he took that position. Dr. Blake suggested that in the early stages of a church, while it was young and a struggling operation, that as a matter of social welfare there might well be justification for giving it exemption on real estate taxes, but when it became a powerful institution and an income-producing group, that this policy might very well have to be surveyed again. His suggestion was that the churches commence voluntarily to pay 1 percent of what their normal assessed real estate tax would be per year until they were paying 10 percent of the tax that would be normally levied against them. They should do this not in compulsion but voluntarily to help provide the services of the community.

I think that in that area there may possibly need to be some rethinking, but I revert to the point that I think that between just not taxing someone and then actually giving this same person the means to carry out his program—means that come from all the people who maybe don't believe in his program—I think there is a moral and legal distinction at that point.

Senator MORSE. I only add this, that I think the subject matter I raised is probably more appropriate for consideration before the Senate Finance Committee than before this subcommittee. It has some connection with this problem of having to draw these lines of degree, because I think that that is what we are going to get down to, drawing distinctions in regard to programs to be participated in at all by the Government.

I may very quickly say this about the tax matter which you raised. I have long been on record as being very critical of the charitable trusts of this country which are participated in by not only churches, but many other so-called charitable institutions in which the institution, in addition to carrying out its primary function, moves into the economic field as a competitor with private business and is given a competitive advantage because of its tax exemption. I think that this activity does need some scrutiny on the part of the Congress.

The Senator from Pennsylvania?

Senator CLARK. No questions, Mr. Chairman.

Senator MORSE. The Senator from New Jersey?

Senator CASE. Mr. Chairman, in line with your question, I wonder if I might just also raise another matter which seems to me bears on this. The proposal was made that a scholarship program for college tuition be provided and that the Federal Government in addition to paying the tuition make a lump sum payment to the college which the grantee of the scholarship gets.

This, as I understand it, is not to be limited to public institutions, but also to private ones.

Is it your judgment in principle that such a program of grants to private colleges to support scholarships would be different from the suggested manner of this public school bill providing loans for construction to private schools?

Mr. LOWELL. Yes. I think it would be quite different, Senator Case, although I may say initially that I think that any grants to support scholarships made directly to a church-operated college as well as any loans would probably be unconstitutional, in my opinion.

But I think in direct response to the question you asked, there is a considerable difference in these two kinds of grants, and I think the difference would be this: a college student is presumably an adult, mature person. He wins a scholarship in academic competition on a fair competitive basis and then we say to this individual who has won the scholarship in fair competition, "Now, you may implement this scholarship in any institution of higher learning which you choose," and as a mature individual and an adult, he chooses a college.

Then, as you have suggested, the money in the scholarship which he will pay in tuition doesn't quite cover the costs, and the Government proposes to pay the college. That I would oppose and think unconstitutional, but I would put it still in a different category from a situation where children under compulsion attend schools which

are not a matter really of their choice at all. I mean, they are just sent there. The State says you have to do this. The parents send them. So you would get in that instance an automatic tuition grant which is the same thing I would say as a direct subsidy to that institution. This is the principle which exists in the college situation that does not exist in the lower schools.

Senator CASE. Let us just assume a hypothetical case and suppose instead of scholarships to colleges, there were provisions in Federal law for tuition grants or scholarships for private schools at the level below the college level, with or without supplementary grants to the institutions.

Mr. LOWELL. You mean in a competitive way, or just general scholarship grants?

Senator CASE. It could be based on competition. Suppose instead of this bill, grants were made to children to pay tuition, whether public schools or private schools or what. I am trying to draw out the question as to whether in your mind the important distinction is between secondary and higher educations in college, or just what the basic distinction is, if you feel there is one.

Mr. LOWELL. Well, I would say that those grants, particularly at the level of lower schools, now, ought not to be receivable in church-related schools, because while nominally you are giving the sum to the child or to the parent, the destination of the grant is still the church-related school, and this is really a program under the State's compulsion. I think, therefore, in that sense, you would be subsidizing compulsory education in a sectarian school, and I don't think that would be in violation of our traditions and laws.

Senator CASE. On the same grounds, a loan program for construction of college buildings open to private colleges as well as public colleges is not offensive to you.

Mr. LOWELL. Well, you know, really, up to this point we have just had that for housing, basically. I understand the new legislation will broaden this concept of loans. But we have really had no general loan program, as I understand it, for private colleges, including church-related colleges, to this point, only loans for dormitory construction. I believe that is correct.

Senator CASE. Under the present housing law, that is true.

Mr. LOWELL. Yes. Now, we would oppose, of course, what we would consider any broadening or extension of that concept. After all, you can argue that this is physical, this is for bodies, this is to take care of these people. You could make a strong welfare argument, I think, for dormitories.

I object to the loans for dormitory construction, though I think they are on the borderline. But when you do go from dormitories to classrooms and libraries, and so on, there you are getting into the actual educational program of the church school, and I think that would be in violation.

Senator CASE. Take a field other than education. Hospitals, for example. I hadn't been aware until a recent discussion of this subject became sharp because of the school bill that there had been any objection, at least none had come to my attention, to the Hill-Burton Act funds being used by private hospitals, including those run by churches or church-affiliated organizations. In your judgment, is this open to question?

Mr. LOWELL. Well, this is another one of those borderline situations. You know, Hill-Burton has really never gone to the Supreme Court. That issue has never been tested, and I suppose one of the reasons is that there seems to be really no way of getting into the courts because of the Supreme Court's ruling in *Massachusetts v. Mellon*. It is a borderline situation where the church renders a public service, something that the Government wants to have done in the way of healing, and then provides the church hospital with the facilities for doing this.

Now, in our organization, our own position has been that we would object to and oppose such a use of Federal funds, and also a sectarian management of a public hospital in situations where the church involved had a sectarian medical code which would not give to the public or to physicians the complete medical service to which they might feel themselves entitled in a public institution. The grant of public funds makes it at least a quasi-public institution. Hence, if patients and physicians are limited in the kind of medical practice that they would obtain there, this would be certainly in violation of the constitutional rights of these people.

Senator CASE. Mr. Chairman, I want to thank the witness for a very thoughtful answer to these questions which have been of concern and interest to all of us in trying to meet this situation properly. It is a very difficult one, and I am most grateful.

Senator MORSE. He is a very able witness.

Senator Randolph wanted to ask a question or two. He will be right back, so I will raise this question while we are waiting for him.

Senator Case raised this matter of scholarships to students in higher education. Senator Hill was the author of that bill and I was privileged to be one of the cosponsors.

In my understanding of the theory and philosophy of this particular section, the scholarship goes to the student. It is the student's choice. He selects a private institution which happens to be connected with a church denomination. Under the bill, the school that he selects will get \$350 supplement for his expenses. It is recognized that the tuition will not cover the cost of his education. The theory is—and these are pretty fine lines to draw, I will be the first to admit—the theory is that that \$350 still is connected to that student. That is his \$350. That is the \$350 that is appropriated for the student, and that \$350 follows the student and never can be separated from the student. And, therefore, although the check is sent to the school, it might just as well be sent through the student as a conduit to the school.

Now, that is the theory. I just thought that that ought to be stated in the light of your answer.

Mr. LOWELL. I am happy to have that. That is very helpful. I would still wish they would give it all to the student and let him do what he would.

Senator MORSE. I wanted you to know at least the theory of the bill giving it to the student, but it is giving him the scholarship and giving the school the extra money to pay the extra expense. But I will tell you one—this gets to be fascinating, a fascinating mental exercise—I have a wonderful son-in-law who is a young Anglican clergyman. I think being a minister you will enjoy a story he likes to tell.



You ask him if he has converted his father-in-law yet to his belief and he will reply: "There are some things I don't attempt." But he is studying for his Ph. D. at a divinity school at Yale.

But suppose he was one in this category that should get a scholarship and the \$350 would go to the Yale Divinity School. Would that violate the separation of church and state, do you think?

Mr. LOWELL. Yes, I certainly do, and as a matter of fact, Mr. Chairman, that has been happening under the fellowship program. Union Theological Seminary in New York City got a number of these fellowships with supporting grants to the institution for fledgling clergymen studying for the preaching or teaching ministry. The subjects of their study were definitely religious subjects. There were, I think, homiletics, pastoral counseling, psychology of religion and so forth. So here you had the fellowship and supporting grant going on behalf of a student studying for the ministry of the Gospel.

Now, when you get to that point, the State certainly must be subsidizing religion, because that is the thing that stands at the very heart of your church operation, the preaching and teaching ministry. Of course, we will have more to say about that when we come in on the higher education program.

Senator MORSE. Having raised this interesting hypothetical question, I now want to say in defense of our bill that we are fully protecting ourselves, because this is for undergraduate work and it will not be raised, and you will not be involved.

Senator CASE. Just to pursue that point a little bit further, Mr. Chairman, if I may, a good many of the churches have boards of education which provide scholarships for prospective ministerial students in college, as well as in seminaries. Let us assume a case of a boy who is receiving aid from such a board of education for his college work with whatever arrangement or commitment he may have, loose or firm, to continue in studying for the ministry of that particular denomination.

Should that prevent him from receiving a scholarship under the terms of the bill which we have just been discussing?

Mr. LOWELL. Yes, I would say definitely, yes.

This could be called unfair, yes; unjust and discriminatory, yes; but this is a part, I think, of the price which churches must be willing to pay for their independence of the State, their separation from the State. It looks like an unfair thing. This boy is as good a scholar or better than the next, but if he is going into the ministry and definitely committed for such studies. I say he should be barred under any scholarship aid program.

Senator MORSE. Senator Randolph?

Senator RANDOLPH. Mr. Chairman, off the record.

(Discussion off the record.)

Senator RANDOLPH. I want to return to the record.

Reverend Lowell, you, I am sure, understand that the Roman Catholic Church, even though its position on this matter has been taken by the American authority, is not a complete spokesman, as it were, for all the members of the church in the United States. Would you agree?

Mr. LOWELL. Yes. I hope that that is true, and I think it is true.



Senator RANDOLPH. I have had Roman Catholics say to me that they took the position which Senator Morse has indicated, and the position which is embodied in this bill on this matter.

On the other hand, I have had Protestants who say to me they believe that the aid should go to the parochial and private schools.

I want it clearly understood, therefore, that even though you point up a difference between the so-called organization for separation of church and state, Protestant in nature, and the Roman Catholic Church, from the standpoint of its American authority, although you point that up, we must realize that this is a matter which crosses lines; is that not true?

Mr. LOWELL. Yes, to a certain extent, that is true. And if you will notice in my testimony, Senator Randolph, I referred to the leadership of the church, the bishops, and quoted certain leaders, and I want to say now that we do have Catholic members in our organization.

This surprises some people, but it is true, and I agree with your point entirely. The only reason I have raised it, Mr. Chairman, is that sometimes we are a little inclined, when certain spokesmen appear for organizations, to think of a straitjacket opinion of the membership and the spokesman certainly speaks with authority.

Do not misunderstand me. But in this case I think you have delved, Mr. Chairman, into some of the shaded areas. It is not just black and white. It is just not the two sides. There are as many sides as there are parties in issue. I think this is a very real problem, and I am delighted that you have given it the thought you have expressed and are asking that additional material be brought to this subcommittee that we may consider it during our deliberations.

Senator MORSE. Thank you very much.

Reverend Lowell, thank you very much. You have been very helpful to the subcommittee.

Mr. LOWELL. Thank you, Mr. Chairman.

Senator MORSE. The next witness will be Mrs. Paul Blanshard, executive director of Unitarian Fellowship for Social Justice.

I want to say at the outset, Mrs. Blanshard, that if I step out of the room it is because I am scheduled for a radio tape at 3:30 with Senator Cooper and it will not take me long. I will be right back.

Mrs. BLANSHARD. I will forgive the Senator, especially because he is not going to introduce that amendment that he introduced last year.

Senator CLARK. Mr. Chairman, could I make a comment off the record?

Senator MORSE. Yes, certainly.

(Discussion off the record.)

Senator MORSE. On the record.

Mrs. Blanshard, I want to say now for the record that we are delighted to have you with us again and we await the testimony that you will give, and I want you to note the time that I have allowed for supplying a supplemental statement because you follow these hearings rather assiduously and I want you to take advantage of my ruling that you can file supplemental material.

Mrs. BLANSHARD. Yes. I am delighted that you have said that rebuttal can be sent in, Senator Morse. I think that is splendid.

**STATEMENT OF MRS. PAUL BLANSHARD, EXECUTIVE DIRECTOR,  
UNITARIAN FELLOWSHIP FOR SOCIAL JUSTICE**

Senator MORSE. Proceed in your own way.

Mrs. BLANSHARD. My name is Mrs. Paul Blanshard. I am executive director of the Unitarian Fellowship for Social Justice, an organization with 91 chapters throughout the country and with headquarters at 245 Second Street, N.E., Washington, D.C. Mrs. A. Powell Davies is our president.

You will notice we have listed on the left-hand side of my prepared statement the officers and directors of our organization. You will notice that Mrs. A. Powell Davies is our president. Senator Maurine Neuberger is our honorary chairman on our legislative committee. Mrs. Paul Douglas is a member of the committee along with Mrs. Charles Tobey and with the former Governor, Rexford Guy Tugwell, of Puerto Rico, and many others of equal eminence.

I wish to thank the chairman and the committee for this opportunity to appear in support of the administration bill S. 1021, introduced by the chairman, Senator Morse, and others. This bill embodies the administration's educational program. We have long stood for Federal aid to public education and we believe that passage of this bill is a practical solution to a difficult problem.

Inasmuch as I have no claim to being an expert in the educational field, I will not reiterate the facts and figures which have already been presented to the committee many times regarding the dire need for more classrooms, more teachers, and teachers who are better equipped to teach our children in this age of change and tension.

My home is in the small town of Thetford Center, Vt. We have been trying for more than 10 years to have a consolidated school. The one-room schoolhouse in our village does not even have running water. Last week at our town meeting I am glad to report that we finally passed a bond issue to erect a consolidated school. I feel confident that one reason our town has reversed itself is because of the belief that a Federal-aid program will be passed, and that our town will be one of the participants in this program.

One feature of S. 1021 which we especially wish to endorse is that it recognizes the separation of church and state in the field of education. This is an area in which the Unitarian Fellowship for Social Justice is especially interested and somewhat knowledgeable. The bill does not appropriate any public funds for sectarian schools. We appreciate the contribution which sectarian schools make to American culture, and we sympathize with those parents who pay the cost of private education because of their religious beliefs. But we do not believe in support, from the public treasury, for schools which teach religious doctrine. Once we begin to use public funds for religious teaching, we destroy a basic American freedom—the right of the taxpayer to be free from assessments for a faith which he does not accept. Our American tradition has been opposed to that kind of intermingling of church and state affairs, and we think that tradition is worth preserving.

Let it be clearly understood that there is no discrimination against any child in limiting funds to public schools only. Public schools are the people's schools in a peculiar sense. They belong to the people

and are managed by the people. The children of all faiths or no faith are invited to attend them without cost. If some parents choose to ignore that invitation they cannot plead discrimination. This is a matter of their own choice. We do not believe that as taxpayers we should be compelled to pay for that choice.

We wish to commend the President most warmly for saying at his press conference on Wednesday of this week that he hopes to confine the financial program for elementary and secondary schools to public schools only.

And if I might interpolate, I think the President is a perfect example of there being Catholics and Catholics, because the President of the United States has stood out as diametrically opposed to the position taken by the Catholic hierarchy, the hierarchy of his church which is asking all over the country not just for loans but for grants to the parochial schools.

Again going back to the President of the United States, he said he believed that across-the-board grants or loans—and I underline or—to sectarian schools would be unconstitutional. We think he is right. Any use of public credit seems to be clearly unconstitutional under the famous decision of the Supreme Court in the *Everson* bus case, which the President cited. In that case, the Court permitted public funds to be used under the first amendment for bus transportation, but only because the Court interpreted the expenditure as a payment for the safety of the child, not as a payment to the sectarian school. In that decision, which was a 5-to-4 decision, the judges said specifically that aid to religion was prohibited by the no-establishment clause of the first amendment, and the context showed that the Court meant general aid to the central functions of the sectarian school. Five years later in the *Zorach* released time case, the Supreme Court said that "Government may not finance religious groups." It seems to us clear that either grants or loans of public funds to schools which belong to churches and which teach religion are unconstitutional.

But the Unitarian Fellowship for Social Justice would not stop at the constitutional issue. We believe in the separation of church and state as a wise policy which helps create a tolerant society. The public school is the school which the people should support, partly because it is open to the children of all creeds without distinction, and no single creed dominates its teachings. We Unitarians want our children to go to school with the children of other creeds in order to learn tolerance. We do not want our school system fragmented by religious divisions. In Europe public money is used in many countries for sectarian elementary schools. The children are divided by creed all their lives. They develop animosities and divisions which we deplore. Also, in many European countries the policy of paying public money to sectarian schools has decimated the public schools and reduced their total influence. If we start supporting one big sectarian school system in this country with public loans and grants, we will soon have a dozen other sectarian systems and the community school will suffer.

And it seems to me, Mr. Chairman, that it is rather odd that when those of you who are serving on this committee and many of us that have testified today have worked extremely hard for the civil rights program, for civil rights legislation in order to have no separate but equal schools, and now we are having brought before this committee the question of again having separate schools which will be unequal.

So we hope that in limiting public funds to public schools only at the elementary and high school level we will not only improve education but create a more tolerant and understanding society by preserving the separation of church and state.

In closing, I would like very much to insert the many editorials which the Washington Post and the New York Times, also the Star, the News, have written in support of the position which our organization takes, but that I fear would be imposing on the committee's time and on the Government Printing Office. I would, however, like to be indulged to the extent of quoting the last two paragraphs from the Washington Post editorial of Thursday, March 9, but with the chairman's permission I would rather not quote that which is before you but I would rather if there is time read the editorial which was in the Washington Post this morning. May I read that, Mr. Chairman?

Senator MORSE. You certainly may, and we will put the one of yesterday in at this point, too.

(The editorial, dated March 9, 1961, follows:)

[From the Washington Post, Mar. 9, 1961]

#### APPEAL TO REASON

President Kennedy's latest comments on the aid-to-education controversy tend for the most part to blur the picture. The constitutional distinctions, assuming their existence, between grants and loans for specific purposes and across-the-board grants and loans, between "loans and even grants to secondary education under some circumstances" and loans and grants to secondary education under other circumstances, the difference between Federal aid to colleges and Federal aid to elementary and secondary schools—all of this may sound like so much mumbo jumbo to the average American.

That a distinction exists, however, that a constitutional line will have to be drawn somewhere, certainly is beyond dispute. And it was to this point, we think, that the President really was directing his appeal for a reasonable approach to the problem by Congress.

He is concerned primarily with getting legislation which would establish a program of grants for public schools. This undoubtedly is the area of greatest need, and also the area in which no constitutional question arises. At best, it will be difficult to get satisfactory congressional action, even in this limited range. And it may become all but impossible if grants for public schools are tied in with aid for private or parochial schools, segregation or other issues. So Mr. Kennedy is urging Congress to deal with one thing at a time—specifically, in this instance, to enact legislation for public school grants and then to take up separately, if it sees fit, the matter of aid to nonpublic schools. This is a responsible appeal for the right approach, and we think it deserves the support of everyone. It will be a great pity if all aid to any kind of education has to go down the drain, or if the end result is a kind of aid package certain to be attacked in the courts with all of the delays which protracted litigation would entail.

Mrs. BLANSHARD. Thank you very much.

The Washington Post editorial is entitled "Motive and Criticism."

I would like to have that included in the record, sir, and I would also like to include in the record, if I may, the column of Scotty Reston which was in the New York Times this morning on the same issue.

Senator MORSE. They will be included.

(The editorial referred to, dated Mar. 10, 1961, follows:)

"Is there any reason," asks the Catholic Standard in the first sentence of a front-page editorial "why the Washington Post cannot discuss a constitutional question, admittedly debatable, without imputing false motives to those who disagree, using smear tactics employing innuendoes about the loyalty of Catholics to the Constitution and prejudging apodictically a specific question before

it is submitted to the Supreme Court?" The question can just as fairly be turned around.

We did not and do not intend to impute false motives to those who disagree with us on the question of Federal aid to parochial schools. We believe that there has not been any such imputation. And we certainly have not impugned the loyalty of Catholics to the Constitution.

A very serious constitutional issue has arisen over the proposal of the Catholic hierarchy that the program of Federal grants to public schools that President Kennedy has submitted to Congress be augmented with a program of Federal loans to private schools. This issue threatens to divide the country as few other questions, and it is therefore especially important to be clear about the fundamental point.

We have expressed emphatically our belief that loans to parochial schools would affront the first amendment to the Constitution as interpreted by the Supreme Court. We oppose such loans also on grounds of public policy, apart from the constitutional problem, because we believe that ultimately this kind of help to private schools would gravely damage the public-school system.

Others differ with this position, and in such a controversy motives can easily become confused. Let us reiterate that we respect fully the right of those Catholics and other patriotic Americans who disagree with our interpretation of what the Supreme Court has said. We appreciate the financial sacrifices many Catholic parents are making for the support of a separate religiously oriented school system. But we also believe that we have a right to express vigorously a viewpoint contrary to that of the Catholic hierarchy without being regarded as anti-Catholic.

Our view on the basic issue, which we have held and expressed over a period of many years, is essentially the same as that recently enunciated by the President of the United States. Not the least of our concerns is that a major purpose of the first amendment was to protect the rights of religious minorities, including the Catholic minority, and that a further wedge in the wall of separation between church and state would jeopardize those rights.

(The column by Mr. Reston follows:)

[From the New York Times, Mar. 10, 1961]

#### HOW TO HURT BOTH RELIGION AND EDUCATION

(By James Reston)

WASHINGTON, March 9—In their statement on Federal aid to education, the hierarchy of the Roman Catholic Church has raised a serious issue.

They have said, in effect, that if they cannot get the Federal aid they want for their parochial schools, they will oppose the President's bill to provide Federal aid to public schools.

At no point in this or any other statement by the National Catholic Welfare Conference does anybody question the need for Federal aid to provide adequate standards for a rapidly growing population, but the fourth point of the official church statement by Archbishop Karl J. Alter of Cincinnati nevertheless declares:

"In the event that a Federal aid program is enacted which excludes children in private schools, these children will be the victims of discriminatory legislation. There will be no alternative but to oppose such discrimination."

There is, however, a very clear alternative. This is to do what most people and groups do all the time in a democratic society—namely, to fight hard for what they want for themselves and then, if they don't get what they want, go along with the best possible compromise for the whole Nation.

#### THE OTHER QUESTIONS

Once this principle of the primacy of the general welfare is accepted, much can be said on the merits of Federal aid to parochial and private schools.

The claims of the Catholic Church cannot be lightly brushed aside, as President Kennedy originally tried to push them aside, by saying that aid to parochial schools, was "clearly unconstitutional" and by adding that "there isn't any room for debate on that subject." This merely envenoms the debate that is now obviously in progress.

The main reason for Federal aid in the first place was to see to it that the Nation develops all the brains it has, and if this reason is valid, it surely needs Catholic brains as well as Baptist or Presbyterian brains.

Also, Catholic schools have benefited in the past from Federal funds in the National Defense Education Act; Federal funds have followed Catholic students to Catholic colleges; Federal funds have made available scientific, foreign language, and other teaching facilities to Catholic schools; and even under the present Kennedy program, Federal funds would be granted to Notre Dame University, for example, to help defray the expenses of any student who won a Federal scholarship and chose to attend that university.

President Kennedy, however, has provided a way to argue out all these highly controversial religious and constitutional points. He has proposed that his bill be allowed to come to a vote to deal with the general welfare and that separate legislation be introduced providing for loans to the parochial and other private schools.

All he asks is that the people who have a special interest in parochial school education or racial integration do not insist on fighting out their religious, economic, or racial battles at the expense of progress in the field of general education.

It may be that, in the end, the officials of the church will agree to this procedure. When the Right Reverend Msgr. Frederick G. Hochwalt, education director of the National Catholic Welfare Conference, was asked on the air the other day whether his organization would rather see no education bill than one that didn't give his organization what it wanted, he replied, "Not necessarily."

#### THE PRESSURES

Nevertheless, the mail flooding into Capitol Hill these days is not taking this line but crying "discrimination," and charging "taxation without participation." In short, it is carrying out the threat to defeat implied in Archbishop Alter's official statement.

In some ways, of course, there is discrimination. There are almost as many Catholic children in the public schools as in the parochial schools, 4,447,600 at last count to 5,088,000, and obviously, if all of these had to be educated in the public schools taxes would have to go up.

The decision not to participate in the public school system, however, was not the Government's but the church's. They have chosen the separate way and they have been given the opportunity to argue their case.

Accordingly, the first question is one of good faith: whether they are prepared to put the progress of the Nation's education first or risk wrecking the President's bill to serve their special interests.

Mrs. BLANSHARD. And in closing may I say that again I thank the subcommittee for its courtesy in allowing us to appear before it in support of the administration bill S. 1021. And I might add that the only criticism of the bill from our point of view would be that it is not as generous as the educational needs of the country require. But it is a giant step in the proper direction.

Senator MORSE. Mrs. Blanshard, I want to thank you very much for your testimony and for the material which you have inserted along with your testimony. As I said when you started, I am going to have to be going in the next few minutes, and I will leave the meeting in charge of Senator Clark.

Senator CLARK (presiding pro tempore). Senator Case?

Senator CASE. No questions, thank you.

Senator CLARK. Senator Randolph?

Senator RANDOLPH. Mr. Chairman—Mrs. Blanshard, I am especially impressed by that part of your testimony which goes beyond the constitutional issue. That is a very compelling presentation that you have made.



I note that you believe that in the public schools children of many faiths coming together will learn tolerance. I think it is very important that this understanding, this mutual respect, this appreciation one for the other, be within a public school and that it will come to pass as you have indicated through children of many faiths rubbing shoulders. In other words, if there is a hand-to-hand and a heart-to-heart contact among children, as you have indicated is possible, certainly I endorse all you said.

Mrs. BLANSHARD. Thank you very much, Senator Randolph. I would just like to comment on that and say I think it has come to pass in our public schools and perhaps the most unique contribution in our American democracy is our great system of public schools which is equaled nowhere anywhere in the world.

Senator RANDOLPH. Off the record.

(Discussion off the record.)

Senator CLARK. Thank you very much, Mrs. Blanshard.

Our next witness is Mr. David L. La Driere, accompanied by Mr. Glen Andreas and Mr. Francis Brown, all officers of the Citizens for Educational Freedom.

We are happy to have you here.

Mr. LA DRIERE. Thank you, Senator Clark.

Senator CLARK. Will you please proceed in your own way, sir?

**STATEMENT OF DAVID L. LA DRIERE, PRESIDENT, ACCOMPANIED  
BY GLEN ANDREAS, VICE PRESIDENT, AND FRANCIS BROWN,  
VICE PRESIDENT, CITIZENS FOR EDUCATIONAL FREEDOM**

Mr. LA DRIERE. Thank you, sir. I should like to begin by requesting that I take about a minute or two to tell the honorable Senators what the Citizens for Educational Freedom is.

Senator CLARK. Please do.

Mr. LA DRIERE. In June 1959, a group of five people in the city of St. Louis, Mo., met and organized an association called the Citizens for Educational Freedom. Today, less than 2 years later, we have a national organization with headquarters in St. Louis, composed of about 10,000 paidup members with hundreds of thousands of supporters with 35 chapters in the cities throughout America, and with members from every State in the Union. The Citizens for Educational Freedom is a group of citizens who represent no church, no school system, public or private, but who represent only themselves as parents of children in school.

Our one simple principle, Mr. Chairman, is this, that every American should have a free choice of a school which he shall attend without economic penalty. We say that the primary rights in education belong not to the State, not to a school system, not to a church, but to parents. And so we are an association of parents and other American citizens dedicated to that principle which has by the way been enunciated by the Supreme Court in three cases and also is contained in the U.N. declaration of human rights.

I have with me today Mr. Glen Andreas, chairman of the board of the First National Bank of Pella, in the town of Pella, Iowa, on my left, and on my right, Dr. Frank Brown, professor of economics at De Paul University in Chicago. Dr. Brown has prepared a statement, and if he may, we would like to present it to you now.



Senator CLARK. Please proceed, Dr. Brown. We have your statement here and I am reading it. Do you wish to read it or——

Dr. BROWN. Yes. I would like to read it with one or two insertions.

Senator CLARK. Go right ahead.

Dr. BROWN. The Citizens for Educational Freedom is a nonsectarian organization that fosters and protects the natural and constitutional right of parents to direct and control the education of their children. We speak not for any religion or church or school, but solely on behalf of ourselves as parents and on behalf of our own children as individual American citizens entitled to intellectual and religious freedom and to the equal protection of the laws.

We seek for our children a fair share of the education tax dollar in any program that exists or that may be adopted. We seek the opportunity to bring this share to the school of our choice. We present ourselves today primarily as citizens who believe in the right to choose God-centered education for our children without forfeiting public educational benefits, and we come, not to plead for or against Federal aid to education, but rather against discrimination.

We protest the fact that the administration's education program for the elementary and secondary level, as outlined in S. 1021, makes Federal grants available only for the benefit of those children who attend the State and local public schools. And as parents of children in nonpublic elementary and secondary schools, we protest the discriminatory exclusion of our children from this program.

The Constitution guarantees equal protection for all children. Why then are ours excluded from the administration's proposal? We find nothing in the Constitution that says that we must turn our children over to the State as a prerequisite for equal treatment in a national law.

Furthermore, the first amendment guarantees the civil right of religious freedom. But now that we have, in the free exercise of this right, chosen God-centered education for our children, we see them excluded from a fair share in the Nation's education program.

To clarify our position we make two points: first, that each and every school has a theological and philosophical orientation and atmosphere and presents, either in an organized or haphazard manner, values on God, man, religion, society, in a word, on all sorts of values human and divine; and, secondly, that we reject through moral and religious conviction the theological and philosophical orientations and atmospheres within the present public school system.

I would like to make an insertion of two paragraphs here. To those who claim that there is no discrimination against our children in this matter, we respond that there is no true freedom in a program that offers us general funds but only if we conform to an education orientation and atmosphere which we reject in conscience, or to put it another way, only if we agree to give up our sacred right to religious education.

If this is not thought control, if this is not a religious test, and if this is not a civil disability of the type repugnant to the great men who wrote our Constitution, then it seems to us words have lost their meaning.

Now, returning to the text, whatever has happened to parents' rights in education? This principle was a prime ingredient in the foundation upon which this Nation was built, but today it seems to

be lost in the welter of talk about a unity and a democracy to be achieved through a government system of education. We remind America that the Supreme Court has affirmed the rights of parents to direct the education of their children and that it includes therein the right to be free from governmental standardization.

A society cannot claim credit for its devotion to rights if it renders their normal exercise impossible to achieve. We ask the Senate to consider that a triple combination of local, State, and Federal education taxes imposed on us without any benefits accruing to our children will effectively impair, if not destroy, the economic possibility of many of our families to exercise the right to God-centered education for our children.

The issue of church and state is falsely raised here. We seek no aid for any religion or church or school. We seek a fair share for our individual children to be used at the school of our choice.

We ask that, if the Senate is to pass S. 1021, giving grants for the benefit of those children in public schools that it also include therein a provision calling for individual tuition grants on behalf of those children in nonpublic schools. These grants, equal in amount to those made available to the public school children, can be given to parents in the form of certificates negotiable only at a school of their choice.

There is no need today to cite the abundant precedents for Federal aid to individual citizens to be used at a school of their choice, even if this happened to be or happens to be a church-related or other private institution. Let us cite here only the GI bill of rights and the current National Defense Education Act.

President Kennedy has indicated that such aid is possible on the college and university level because it is given to the individual and not to the school, but this is precisely what we ask for our children, an individual grant.

We urge the Senate of the United States that, since there is obviously no constitutional barrier to such individual grants, that it amend S. 1021 to include our program for our children.

The benefits of freedom are generally quite rich. Thus in reference to the GI bill of rights is it not generally accepted that no governmental program was less contentious, that none was freer of governmental control, and that none was more efficient in the use of resources?

Is it too much to conclude that such benefits flowed primarily from the fact that free citizens were given freedom of choice in their schooling instead of being offered national benefits only at government schools?

This matter of Federal aid to education on the elementary and secondary level has long been a source of controversy and will undoubtedly continue to be so within an institutional framework. Cannot this body of learned and wise legislators see the possibilities for harmony in a program of the type advocated here today by the CEF?

Perhaps also there may come the intelligent use of all our human resources as we strive for national survival and fulfillment. Certainly we hope that in any program for the betterment of this country that our children may take their place as first-class citizens.

Senator CLARK. Thank you, Mr. Brown.

Senator Randolph?

Senator RANDOLPH. Mr. Brown, when did this organization come into being?

Mr. BROWN. May 1959.

Senator RANDOLPH. May 1959?

Mr. BROWN. That is right.

Senator RANDOLPH. Thank you very much.

Senator CLARK. Thank you very much.

Mr. ANDREAS. May I make a brief statement?

Senator CLARK. I am sorry. I didn't realize you wished to speak. Please go ahead.

Mr. ANDREAS. Mr. Chairman, I know that there has been already considerable public attention given to the Citizens for Educational Freedom, and it seems to be the practice of many of the instruments of publicity to refer to this organization as a Catholic front group.

I come from Pella, Iowa, where we have a grade school and a high school with a total enrollment of approximately 650 students. Our grade school is 40 years old, established 40 years ago, and this school has been organized and controlled by the parents, not by any church.

I happen myself to be Christian Reformed, which is a Protestant church, and most of the parents that control this school are also Christian Reformed.

Senator CLARK. That is the one in St. Louis?

Mr. ANDREAS. I beg your pardon?

Senator CLARK. The school you are referring to is the one where the organization started in St. Louis?

Mr. ANDREAS. No. This is the school in Pella, Iowa, where I live.

When I first heard of CEF, I took note also that it was referred to as a Catholic front group, so I made particular point of investigating this matter by attending one of their national conventions, and I was very careful to determine that it was not that, but is precisely what is referred to in this statement that we have given.

Senator CLARK. Do you gentlemen have any figures on your membership by denomination?

Mr. LA DRIERE. Senator, we do not. We have no religious test, of course, for membership. We really have no idea.

I can say this to the Senator, that we receive many hundreds of letters from people who have asked to join our group and, of course, who have been permitted to join, who refer to their children in an independent or private school sometimes by calling it Martin Luther School or St. Pius School or Parents Christian School, or whatever.

But we have no figures as to membership or percentages.

Senator CLARK. Thank you, sir.

Thank you gentlemen very much.

Senator CASE, do you have any questions?

Senator CASE. No. I am sorry to have not heard your testimony.

Senator CLARK. Our next witness is Mrs. Alison Bell of the legislative staff of the American Association of University Women.

Mrs. Bell, we are happy to have you here.

Mrs. BELL. It is a pleasure, Senator Clark.

**STATEMENT OF MRS. ALISON BELL, LEGISLATIVE STAFF, AMERICAN ASSOCIATION OF UNIVERSITY WOMEN**

Mrs. BELL. I know that you are under pressure of time so I won't take time to read the statement that you have before you.

Senator CLARK. We will have it printed in full in the record at this point.

(Mrs. Alison Bell's prepared statement follows:)

PREPARED STATEMENT SUBMITTED BY MRS. ALISON BELL ON BEHALF OF DR. MAYCIE K. SOUTHALL, CHAIRMAN, COMMITTEE ON ELEMENTARY AND SECONDARY EDUCATION, AND MRS. W. N. BAIN, CHAIRMAN, COMMITTEE ON LEGISLATIVE PROGRAM, AMERICAN ASSOCIATION OF UNIVERSITY WOMEN

I am Mrs. Alison Bell and I am a staff associate of the American Association of University Women. I am here to represent the association's two national committees on elementary and secondary education and legislation. The association has a membership of approximately 145,000 college graduates organized in 1,470 branches in the 50 States, Guam, and the District of Columbia.

As many of the members of this subcommittee know from the frequent appearances of representatives of this association before you, the American Association of University Women has advocated for several decades that the condition and progress of education must be a matter of Federal concern and support in the interest of the Nation's economic and cultural growth and, more recently, in terms of national defense.

Ever since its organization in 1882 AAUW members have worked for improvement in public schools. In the first decade of the organization's existence active steps were taken to improve education through voluntary elementary school and library work. This led quickly to the association's dominating interest—constant improvement in standards of education at all levels, improvement which has often been made possible by legislation.

From the middle thirties AAUW education and legislative program committees have worked to spread public understanding with respect to the need for Federal support for free, tax-supported public education.

AAUW activities in the field of education have been and continue to be centered on improving the quality of education in content, in teacher education, on promotion of the use of modern methods of teaching such as visual aids and on the extension of educational opportunities, particularly for women. Some of you may be familiar with the association's fellowships program which now comprises about 85 fellowships per year with stipends totaling almost \$250,000. Nonetheless for over a quarter of a century the association has also recognized the need to face realistically the problems of financing public school education which is the cornerstone of the equal opportunity which this country's founders had in mind when creating our democratic state.

**1955 LOCAL RESOURCES STUDY RESULTS**

In fact as far back as the early 1940's study programs in local school finance were undertaken in AAUW branches across the country. More recently, in 1955, a nationwide study of school finance was conducted by AAUW branches in 43 States, in Guam and in the District of Columbia. This study convinced its participants that (1) local communities and States can and should do much more to find the necessary dollars to pay for their schools, but (2) that there are some communities which are unable, even with State aid, to finance their schools, (3) that before local resources can be tapped adequately changes in restrictive State and local laws must be enacted, and (4) that the years of work necessary before the public can be educated to effecting changes in State regulations and constitutions will deny even a minimum standard of education to many children of this generation unless a Federal sharing of responsibility for public school financing is undertaken by the Government.

In the years since this study was made reports from our branches indicate that the situation with respect to school financing at the local and State levels has continued its rapid deterioration—and in spite of increased local efforts in many States.

We are aware that this subcommittee does not need to be told by representatives of our association that local real estate taxes are no longer a realistic base for the support of schools. This subcommittee is also well informed about the length of time it would take to enact the necessary constitutional and legislative revisions in the States to revise educational-support structures in order to secure for all the Nation's children more nearly equal educational opportunities.

We are also aware that the members of this committee fully understand the bitter disappointment with which our members, many of whom serve on school boards, on citizens' advisory councils, or work professionally as educators, have seen the defeat of school bond issues or of legislation which would provide constitutional amendments or revision of regulations, permitting localities to raise more money for their schools.

Because of your awareness of these problems we see no reason to restate office of education figures, which have already been presented to you on classroom and teacher shortages or on the number of teachers who are teaching without proper certification. But we would like to mention the problem faced by institutions of higher learning when they are faced with acceptance of elementary and secondary school graduates from many areas of the country whose basic education is not of the quality which this very wealthy Nation can afford to provide.

#### EQUALIZATION SUPPORTED

It is our belief that no child should suffer because of the geographical area in which he is born. In this connection we should like to point out that as increased tax burdens develop from area unemployment, as older buildings deteriorate and have to be remodeled or be abandoned as fire hazards, as population shifts or increases in school-age enrollment make existing accommodations grossly inadequate, States who in the past have regarded their educational standards as above the average are watching these standards decline in the direction of the levels of educationally underprivileged States.

It seems to us that the issue is no longer whether the States alone should or can support our public schools. We are all painfully aware that present support levels are not adequate to keep up with our growth in population and with our rapid advances in technology.

Because the members of this association have so long been in close touch with local schools we can speak with feeling of the injustice done to the approximately 600,000 pupils attending classes on a part-time basis because the shortage of classrooms has been tolerated by both State and Federal Governments. We can speak with equal sympathy for the Nation's overburdened and underpaid teachers and with understanding for those who leave the teaching profession for better paid employment. Nonetheless sympathy and understanding, whether expressed by laymen or Members of Congress, does little to improve the quality of teaching by instructors who are burdened by too many students, by makeshift facilities and by their own financial problems.

The subtle relationships between the educational level of a people and their general welfare have long been recognized by statesmen, economists, and sociologists. Similarly education has been accepted as directly related to productivity and economic welfare; furthermore, our present highly complex and industrial society is unusually dependent on sound basic education for all of its people.

For these reasons we in the American Association of University Women have read with the greatest interest the proposals carried in the President's message and the several bills which this committee now has under consideration. We wish to express our pleasure over the truly bipartisan support being given these proposals for further Federal sharing of responsibility and give voice to our confidence that this committee will work out legislation which will distribute substantial grants to the States for construction of school facilities, the improvement of teachers' pay and the hiring of additional teachers.

We assure you of our support for your efforts to enact public school legislation and of our wholehearted cooperation in the task of creating greater public understanding of this need for Federal sharing of responsibility for education.

#### AGAINST AMENDMENTS

In the light of the amount of publicity given recently to proposals to extend the legislation now under consideration to provide grants or loans to nonpublic schools and in the light of talked of proposals to limit grants only to non-

segregated schools we wish to make clear the position of the association in these matters. In the approximately 30 years in which the association has worked toward the strengthening of the U.S. Office of Education and in the national interest for Federal sharing of responsibility with the States for educational support the resolutions and the legislative items adopted at the association's biennial conventions concerning these matters have consistently included the phrases "for public schools" or "tax-supported schools." This position is maintained in the resolutions and legislative items which will be presented during the business sessions of the AAUW convention in June of this year.

In past years in appearing before congressional committees, representatives of the association have urged that such collateral issues as segregation be left out of school aid bills as not germane to the legislation for, as President Eisenhower stated in July 1956, this problem is a matter more properly dealt with by the judiciary branch of the Government.

Senator CLARK. We are grateful to you for that position. Will you please hit the high spots?

Mrs. BELL. Thank you. You know the position of the association. It has strongly supported public school education and for the last 30 years we have been advocating that the Federal Government share responsibility with the States, and so we hope and we have every confidence that this committee will report out a good bill, and perhaps we will have legislation to benefit the schools this year.

If there are any questions you would like to ask me, I will be glad to answer them.

Senator CLARK. Thank you very much, Mrs. Bell. You can rest assured that we will all read your statement with great interest.

Senator CASE?

Senator CASE. No questions.

Senator CLARK. Senator Randolph?

Senator RANDOLPH. Mr. Chairman, I like Mrs. Bell's statement in her testimony:

It is our belief that no child should suffer because of the geographical area in which he is born. In this connection, we should like to point out that as increased tax burdens develop from area unemployment, as older buildings deteriorate and have to be remodeled or be abandoned as fire hazards, as population shifts or increases in school age enrollment make existing accommodations grossly inadequate, States who in the past have regarded their educational standards as above the average are watching the standards decline in the direction of the levels of educationally underprivileged States.

You, yourself, Mr. Chairman, told a story about Pennsylvanians' shifting economy which begins to place a burden in that State in relation to the costs of schools which 20 or 30 years ago was not apparent.

West Virginia has felt the impact of this problem, although we are the revenue producers for the corporations taking from West Virginia our wealth, and that wealth, again I say, being credited to the States in which those companies are incorporated.

So what you have said here about spreading of this program is certainly valid.

Mrs. BELL. We firmly believe in public education as the core of our present democratic state, and we have got to improve it over its present standards and provide equal opportunities for every student.

Senator RANDOLPH. Thank you, Mrs. Bell.

Senator CLARK. Thank you very much, Mrs. Bell.

Our next witness is Mr. Hipolito Mercano, grand master of the Masonic Lodge, Puerto Rico.



Mr. Mercano, we are happy to have you with us. I understand you are a member of the Puerto Rican Senate.

Mr. MERCANO. Yes, sir; that is right.

Senator CLARK. Then you understand our problems up here behind the bench.

### **STATEMENT OF HIPOLITO MERCANO, GRAND MASTER OF THE MASONIC LODGE, PUERTO RICO**

Mr. MERCANO. My name is Hipolito Mercano. I am senator at large of the Commonwealth of Puerto Rico. I made this trip to testify before you, not only because I am interested in the provisions of this bill which includes our Commonwealth as a recipient of the Federal aid to public education, but basically because of my serious concern for the deeper and more serious problem which has been thrust upon you by those who wish to use public funds to support their private religious endeavors in open defiance to the long-established constitutional principles of our Nation.

There is an overwhelming majority of opinion throughout the country and Puerto Rico that favors the program to provide adequate education to American children at all levels through our system of public schools with the help of the Federal Government, and with necessary safeguards to keep local control and supervision of public education.

President Kennedy's special message to Congress on education emphasizes the offer on the part of the Federal Government to assume its responsibility in dealing with the fundamentals of properly educating our children.

The bill before you would meet that challenge squarely if it were not for the threatened roadblocks to its passage and approval by the President by people who are interested primarily in defeating its far-reaching objectives.

Your attention should be called to the fact that in considering the bill you are not faced with the question of whether or not our public school system needs Federal aid. That is almost universally granted. Or the question of whether our public education program should be improved quantitatively and qualitatively. That is also granted. Although there might be some difference of opinion as to the quality of education offered in public schools, there is certainly no doubt as to the need for additional schools.

What you are facing here is a tactical attack on the public school system of our Nation by those who are not only vehement in their unwarranted criticisms of our public schools, but who would gladly substitute for them parochial schools supervised, tightly controlled, and wholly owned by ecclesiastical authorities, although financed with public funds.

Their theory is that there should be public taxation to support sectarian parochial schools in the control of which the people have no representation, and over which the Government has no supervision or control, but in which there is exclusive control by those who are tax exempt.

In the first case it is taxation without representation and in the second case it is representation without taxation.



Throughout 52 years of the American colonial period, which fortunately is finished and gone deep into history, we Puerto Ricans learned the dynamics of democracy, which we used not as theoretical propositions for Fourth of July speeches, but as a practical philosophy of life, to enrich our culture and uplift the values of the dignity of man.

Thus, when we agreed to enter into a compact with the United State of America to constitute our Commonwealth, we assumed the duty to write our own constitution, which was eventually approved by our people and also by this Congress.

In regard to the specific problem before you our Constitution of the Commonwealth reads as follows:

Section 1. The dignity of the human being is inviolable. All men are equal before the law. No discrimination shall be made on account of race, color, sex, birth, social origin or condition, or political or religious ideas. Both the laws and the system of public education shall embody these principles of essential human equality.

Section 3. No law shall be made respecting an establishment of religion or prohibiting the free exercise thereof. There shall be complete separation of church and state.

Section 5. Every person has the right to an education which shall be directed to the full development of the human personality and to the strengthening of respect for human rights and fundamental freedoms. There shall be a system of free and wholly nonsectarian public education. Instruction in the elementary and secondary school shall be free and shall be compulsory in the elementary schools to the extent permitted by the facilities of the state. No public property or public funds shall be used for the support of schools or educational institutions other than those of the state. Nothing contained in this provision shall prevent the state from furnishing to any child noneducational services established by law for the protection or welfare of children.

Again I want to emphasize that what I have just quoted is the law of the land in Puerto Rico through the democratic consent of our people and also through the unanimous action of the U.S. Congress, so it reflects the approval of both parties to the compact that created the Commonwealth of Puerto Rico—our people and the Government of the United States.

Now you are called upon to amend this bill in a way that clearly violates the principle of separation of church and state, a cornerstone of our constitutional philosophy. Should you pay any attention to this demand and depart from that long-established constitutional principle, certainly you will confuse the people of Puerto Rico, because Federal aid to parochial schools is in open conflict with the provisions of our constitution, above quoted, which you approved.

The basic issue before you is clear cut. The corollary problem which has been forced upon you is also clear cut. You must face it now. How you handle it will affect us tremendously in Puerto Rico just as what we do in Puerto Rico may reflect upon you.

The same issue in a different form was before the people of Puerto Rico last November. It started with a little bill to establish religious education for public school children through the scheme of the so-called released-time plan. The bill was an attempt to circumvent the constitutional mandate of the people of Puerto Rico to establish "A system of free and wholly nonsectarian public education," and also an attempt to cross the wall of complete separation of church and state by a process of osmosis.

In spite of ecclesiastical pressure, we defeated the bill in our legislature, and thus kept our system of public education free from undemocratic, sectarian dogmatism. I ask you to follow our example and defeat similar proposals here.

Next, the bishops went out and organized a political party known as the Christian Action Party to be used as a political weapon of the church to launch a frontal attack not only to capture the public schools of Puerto Rico but also to capture the government of Puerto Rico.

The pulpit was turned into a political forum; the people were coerced and threatened with excommunication if they did not follow the political advice of the hierarchy. Fear of spiritual punishments was pumped into their minds, but they resisted firmly behind the Jeffersonian wall of separation, and continued to attend mass and political rallies.

Finally, the Roman Church came out into the open and took a decisive step. A pastoral letter was issued by the bishops in which they told their flock that it was a sin to vote for the Popular Democratic Party of Puerto Rico, which represents approximately two-thirds of the voting population.

The three bishops tried to act as political leaders of the voters instead of spiritual pastors of the believers. Again, they conveniently forgot or ignored the fact that there is a wall of separation between the church and the state and that the people pray on one side of the wall and vote on the other side.

In our understanding of sound democratic philosophy, the bishops are called upon to teach the people how to live spiritually and ethically on their side of the wall, and the politicians are supposed to teach the people how to vote intelligently on the other side.

A man can certainly be faithful to his church and at the same time loyal to his political party. Religious faith should never attempt to destroy political loyalty and vice versa. The bishops of Puerto Rico attempted to destroy the loyalty of the people to their own political party, and failed.

The outcome of the elections in Puerto Rico was due to the spirit of political unity on the part of the people who had a diversity of religious affiliations but who rejected the participation of the Roman church in politics. Any attempt to direct the political opinion of the people or of legislators by ecclesiastical authorities clearly demonstrates that there is something wrong in that particular democracy.

It was Mr. Justice Jackson who said:

Compulsory unification of opinion achieves only the unanimity of the graveyard.

This was in the case of *West Virginia State Board of Education v. Barnette*, 319 U.S. 624.

You can see, gentlemen, that we faced this issue squarely. We understood it because we have lived with it for many years. If our experience in dealing successfully with inspired religious antagonism and clerical pressure in political affairs is of any value, then we sincerely hope you will share with us the benefits of this democratic achievement.

The Puerto Rican bishops you read about in your newspapers are not foreigners. One, Archbishop Davis, was born in Philadelphia; the other, Bishop McManus, was born in Brooklyn. These men were educated in Roman Catholic institutions of higher education in the United States. They are blood brothers of your Roman Catholic bishops, the same men who are warning you in effect that unless they get concessions for their church school system, by loans or grants, there will be no aid to the public schools either here or in Puerto Rico. This is the same type of coercion that we defeated last November in Puerto Rico.

Bear in mind that it was the Roman Catholic population of Puerto Rico in great numbers who joined with non-Catholic Puerto Ricans to bring about this great victory for Jefferson's and Madison's and Adams', and Franklin's, and Muñoz Marín's concept of church-state separation.

Has that concept worked in Puerto Rico? Look at us and then look at many of our neighboring countries, where church and state have traditionally suffered an unhealthy togetherness. Gentlemen, if you violate your own traditions in writing this law, you will be encouraging those forces south of the border which make capital out of the ignorance of the people.

Do this, and the final beneficiaries might well be the Communists. They do not seduce the educated or the enlightened. They thrive on the hungry, the disillusioned, on those who never had a chance to learn or gain the benefits of democracy.

Let us remember that you are dealing with a conflict between two opposing ideologies, the Roman Catholic versus the democrats. The Roman Catholic concept embraces power and authority from the ecclesiastical hierarchy above, and demands unquestioning obedience from the people.

In a democracy, the power emanates from the people, and their elected leaders are there to serve them, not to dictate absolute obedience to their will. This is why the Roman Catholic Church always seeks to establish itself as a monopolistic state church, as we see exemplified in Spain and various other countries. Once established they control the schools.

The way to establish a church is to pay for that church's institutions. Your first amendment and article II of our Constitution prohibit such an establishment. If one particular church has a record in one country after another of seeking to have its institutions, particularly its schools, paid for by nonmembers of that church, as well as by its own communicants, then you must know that that particular church is seeking to become the established church wherever it can, and this at the taxpayer's expense. Loans or grants and special tax favors all lead in one direction—toward the establishment of a dominant church institution, highly organized politically to gain ever-increasing power.

There comes a time when the people must say "No." Our forefathers, the founders of this Nation, said "No" with their muskets on the battlefields, and with their pens on documents such as the Constitution and the Bill of Rights. The Supreme Court has said "No" again and again.

In less fortunate lands there has been bloodshed over the issue throughout the centuries. We have avoided it in Puerto Rico. You

have avoided it here, too. You will continue to avoid it if the people and you, the people's representatives, understand the issue in all of its implications and say "No" in time.

Thank you.

Senator CLARK. Thank you very much, Senator Mercano, and we appreciate that you have taken the trouble to come up here from Puerto Rico to give us the benefit of your views.

Our next witness and the last witness today is Mr. M. B. Little, consultant to Americans United and other organizations.

Mr. Little, we are happy to have you here. I have been handed what seemed to me two statements, are they independent or does one exhibit the other?

Mr. LITTLE. They should be attached.

Senator CLARK. Is one an exhibit or——

Mr. LITTLE. No; it is a completion of the earlier statement.

Senator CLARK. I notice that one is six pages long and the other is three.

Do you feel it desirable to read it or would you be content to have it go in the record and then summarize it?

Mr. LITTLE. Whichever you say, in order to keep the hearing from going on too long. It would be all right with me.

Senator CLARK. I would be grateful to you should you allow us to introduce the two statements in full in the record at this point, and then we will ask Mr. Little to summarize his testimony, perhaps, on those points that he is particularly anxious to have us consider.

(The full text of Mr. Little's statements follow:)

**PREPARED STATEMENT OF M. V. LITTLE, CONSULTANT ON CHURCH-STATE PROBLEMS  
TO LONG ISLAND CHAPTERS OF AMERICANS UNITED AND OTHER GROUPS**

Mr. Chairman, my name is M. V. Little. I have served as consultant to churches and other organizations on church-state problems for 15 years.

My concern, Mr. Chairman, is with the church-state problems inherent in proposals for Federal aid to education. It seems evident that the administration bill in those portions which deal with aid to elementary and secondary schools, as it now appears, cannot be faulted in regard to this matter. The drafters have quite properly, according to the first amendment of the Federal Constitution and the constitutions and laws of most of our States, confined aid proposals to schools owned and operated by the public. It is my belief that private schools, particularly those which exist to impart a certain form of religious indoctrination, cannot constitutionally be included in the distribution of grants or loans by the Federal Government. This would seem to be the doctrine enunciated by the U.S. Supreme Court in the *Everson* case, 1947, the *McCormack* case, 1948, and the *Zorach* case, 1952.

While the Court divided in all these decisions, it is remarkable that on the issue of direct grants to churches or church schools the Justices were unanimous in their prohibition. Thus, we might say, that the Court has stood 27 to 0 in these three significant cases against any direct grants of tax funds for churches or their schools.

Much has been reported in the press about an amendment to the aid bill which would provide for low-rate, long-term Federal loans to private church schools for purposes of construction. Many Americans have been deeply disturbed at this proposed foray of the Federal authority into an area to which it has not previously sought access. I would hope that if such an amendment is offered, it will be promptly defeated. While I concede that a loan differs from a grant, there can be no question as to the intent of the loan under such a program. The intent of the loan would be to aid the teaching of religion. This is true because the church itself exists for the purpose of teaching religion. If it existed only to teach the three R's, then its existence would have no point for public schools do this adequately.

The sectarian school exists because of an insistence of a certain religious group on "something more" in the education of children. The "something more" on which they insist is frequently called by them "God" in education, but it is in actual substance the sectarian teaching of their own group. Federal aid, then, whether in the form of loans to these institutions, as has been proposed, or in the form of grants, is nothing but aid to the teaching of religion. As such, many feel it would represent a radical departure from our constitutional tradition of the past century and a half.

It would seem, Mr. Chairman, that it might be for the best interest of these private institutions that they themselves oppose programs of this kind. This would apply to colleges as well as to lower schools. Let us say that a program of loans or grants for sectarian schools is initiated by the Congress. Would not citizens then begin to importune the administration to "correct" certain teachings in these schools which they might deem inimical to their own faith or lack of faith? Already we have heard concern expressed over admissions policies of schools which might be deemed inadequate for schools participating in Federal aid. Such concern by the Congress is legitimate and proper. Such concern would also legitimately and properly extend to private or parochial schools that were to receive Federal aid. It is inevitable, Mr. Chairman, that Federal expenditures are always followed by a measure of Federal supervision and/or control. It could not be otherwise.

It is evident, therefore, that despite sincere but unrealistic protestations to the contrary, all schools receiving Federal aid will to some extent at least come under Federal standards and under Federal supervision and control. This is the concession these institutions make for the sake of the aid they received. Their administrators should understand this clearly. If they do not want to come under a measure of State control then they should cease their pressure for public money.

One further point in regard to Federal aid to sectarian schools deserves comment. Can such aid in any category be called aid to the child and not properly aid to the institution? Many believe this to be a distinction without a difference. Anything done to improve a school or its program no doubt is of some benefit to the child in the school. Education itself is a form of welfare. We must not forget what we have already cited—the fundamental purpose for which the sectarian school exists. That purpose is the purpose of the church which owns and operates the school. What the church is the school is; what the school is the church is. In a Roman Catholic parish, to give one example, the parish school is physically owned by the bishop of the diocese—not by the parents, and certainly not by the Government. School and church are constituent parts of an integral whole.

It would be impossible to aid one item of the school budget without aiding all or to aid the school without aiding the parish of which it is a part.

The financing of churches and their schools has always been cared for by voluntary gifts. It is to be sincerely hoped that Roman Catholic bishops will not try to sabotage aid to American schoolchildren because their own parish schools cannot be included.

Their church and other churches have flourished under the arrangement of voluntary giving. We trust this arrangement can be continued.

---

SUPPLEMENTAL STATEMENT OF M. V. LITTLE OF GARDEN CITY, N.Y., ON PROPOSED  
PUBLIC TAX AID TO SECTARIAN SCHOOLS

There seem to be a number of fallacies in the reasoning of those who demand public tax support for parochial schools. In the first place, the Supreme Court decision that it is permissible for children to attend sectarian segregated schools carried with it no mandate that they, therefore, be supported with public tax funds. The exercise of a liberty does not carry with it an option on the public treasury. There could be no subsidy to Roman Catholic schools that is not a subsidy to the Roman Catholic church, since the two are one and the same. It is not even a case of two pockets in the same pants; there is only one pocket.

Our local governments furnish police service paid for by public taxes too, but, if someone feels that the police protection is inadequate and hires private guards, that doesn't relieve him from paying his just share of the taxes to support the common police force nor does the local government undertake to pay his private guards. And so it is with schools. The public schools are available for use by

all. If the boycott of the public schools, enforced by the Roman church hierarchy under its Canon No. 1374, which reads as follows:

"Catholic children must not attend non-Catholic, neutral, or mixed schools; that is such as are also open to non-Catholics. It is for the bishop of the place alone to decide, according to the instructions of the Holy See, in what circumstances and with what precautions attendance at such schools may be tolerated without danger of perversion to the pupils."

causes adherents of that faith to send their children to church-operated schools, that is their own decision and, accordingly, it is their obvious duty to support such sectarian schools instead of attempting to thrust their freely assumed religious responsibility on to those of other faiths by looking to the public treasury for their support.

Not content with a mere prohibition or moral exhortation, the hierarchy in many American dioceses has written into the law of the church a provision denying absolution to those Catholics who send their children to a public school when a Catholic school is available. This is now the Roman Catholic moral law in the United States. The statutes of the diocese of Indianapolis are typical and are based squarely upon the pronouncements of the various Popes beginning with Pius IX:

"Where a Catholic parochial school exists, parents ordinarily violate the general canon law of the church (Canon 1374) if they send their children to public or non-Catholic schools. If they persist in this violation, they sin gravely and cannot be absolved until they make proper adjustment with the bishop through the pastor" (Statute 117).

As a matter of fact, here is a paradox: We have a plea for freedom in education by a religious hierarchy that begins by taking away its own members' freedom in education. Roman Catholic parents, who accept the authoritarian control of the hierarchy in education, are thereby deprived of their freedom of choice. They can do nothing but send their children to Roman Catholic parochial schools, unless the diocesan bishop is willing to make an exception. This fact demonstrates that what is being sought is certainly not genuine freedom of choice for parents who, out of personal conviction, send their children to church schools. What is sought, rather, is to place the sanction and the financial subsidy of the State behind this particular form of sectarian coercion. What is really being sought is tax support for Roman Catholic schools as a reward for the success of the Roman church in enforcing that denominational rule on its members. This is not a proper use of tax dollars by a democratic government.

It should never be lost sight of that religious schools are clearly established to serve the sectarian purposes of the sponsoring religious group. Nor should it be overlooked that a sectarian segregated parochial school is in no sense a public school. The buildings are not owned and controlled by a community of citizens, but by the diocesan bishop as a "corporation sole" and he is under the absolute control of a foreign potentate. The parents of the children attending such schools are not represented by a democratically elected school board which is responsible to them. The determination of teaching policy and curriculum and the selection of a faculty for a parochial church school do not rest with a school board, but with the authorities of the parent church of which the school is an integral part.

The axiom that voters and taxpayers have a basic right to enjoy a decisive voice in how their tax money is used is denied by the Roman Catholic parochial school system. The taxpayers and voters, as such, would have no voice at all in the supervision of expenditures of public tax funds used by the parochial schools. Such decisions would rest with the hierarchy of the Roman church, not with the community. Advocates of public aid to parochial schools either overlook or make light of one basic fact: The only way a parochial school can lay claim to public tax money is to become a public school—which would surely defeat the very purpose for which it was created. Sound public policy demands that State and local public educational bodies be able to exercise at all times the right to review and control educational policies in any institution or agency for which public moneys are appropriated and expended. Public responsibility for support of education implies public responsibility for the policies which are supported.

The New York State constitution includes a clear prohibition against tax support to sectarian institutions of learning, including schools of all grades. It says:



"Neither the State, nor any subdivision thereof, shall use its property or credit or any public money or authorize or permit either to be used, directly or indirectly, in aid \* \* \* of any school or institution of learning wholly or in part under the control or direction of any religious denomination or in which any denominational tenet or doctrine is taught."

The U.S. Supreme Court has specifically declared:

"No tax in any amount, large or small, can be levied to support any religious activities or institutions, whatever they may be called or whatever form they may adopt to teach or practice religion."

The cry of Roman Catholics that they are victims of "double taxation" because they must pay both the tax levy for public schools and the church fees for the education of their children in parochial schools is unjustified. They are required to pay public school taxes, but they choose to do the other. If the discipline of the Roman church causes them to send their children to a sectarian segregated school, that is a matter between them and their church. It can hardly be called double taxation from the standpoint of civil law. It would seem just as logical that I, with no school age children of my own, should receive relief from the public school tax because I have no children utilizing its facilities. But, along with hundreds of thousands of other bachelors, single women, and childless married couples, I help foot the education bill to the tune of over \$550 per year in local school taxes since I accept the sound democratic principle that everyone should share in supporting the public schools which are provided for all. While we may not be paying for an individual advantage, we are participating for the general public good. The public school tax is not a charge for services rendered. If it were, the parents of two children would pay twice as much as the parents of one, and childless persons and corporations would pay nothing.

The plea that the Roman church school actually saves the community money, since it relieves the public school of the need to provide for additional children, is equally specious. To begin with, the community did not request the Roman church to aid it in this matter; the church chose to do so—and not in order to relieve the community of expense, but in order to achieve purposes peculiar and important to the church. If the Roman church should discontinue its parochial schools, we would need to build additional schools or extra classrooms to care for their students and we would—of that there can be no doubt. It would be our duty and immediate obligation to do so.

But, when the Roman church seeks public tax funds, this plea dies at once, since they are asking that they be treated as public schools at the tax office but nowhere else. The situation is reduced to this very hard fact: Where the parochial school differs from and offers an additional ingredient beyond that available in the public school, it is in the actual propagation of a particular religious faith—instruction in the doctrine and practices of its parent church—and the State cannot subsidize this so long as the Supreme Court's decisions stand.

To subsidize parochial schools from public tax funds would be, therefore, to subsidize religion. It would be a requirement for all citizens to pay for a form of religious indoctrination with which they may not agree and which may indeed outrage their own convictions. It would be not only to flout the Federal Constitution, but also to deny the respect for individual religious beliefs on which it is based. It would be to inaugurate in a free country one of the cruelest forms of tyranny. As Thomas Jefferson phrased it, "To compel a man to furnish contributions of money for the propagation of opinions which he disbelieves, is sinful and tyrannical."

And why, indeed, should members of other faiths be expected to support sectarian schools which by their teachings seek to foster division and disunity among Americans of diverse faith: schools which use textbooks such as "Living Our Faith," book 3 in "The Catholic High School Religion Series" by Flynn, Loretto, and Simeon, bearing the imprimatur of Cardinal Spellman and published by W. H. Sadlier, Inc., of New York. "Living Our Faith" teaches impressionable young people that non-Roman faiths are "false" and "counterfeit" (p. 112), that marriages performed by non-Roman clergymen, even though in accordance with the civil laws of this country, are "attempts at marriage," are "meaningless and sinful" and "null and void" (p. 290).

Also, that it is "scandalous" for Roman Catholics to attend a service of another denomination (p. 112); and "a sin against faith and a rebuff to God" for them in any way to participate in such a service (p. 114); that the American



principle of separation of church and state is inferior to a principle of church-state union (p. 246); that a man who joins the Masonic fraternity embraces a "false religion" (p. 115) and that such splendid organizations as the Salvation Army and the YMCA are "forms of false worship" (p. 113).

The argument that refusal of public tax moneys to parochial schools is, in effect, a form of religious discrimination against Roman Catholics may seem plausible to some. Here is a Roman Catholic child, for example, whose family is taxed for public education and it would be provided for him from public tax funds if he attended a public school, but the child, in compliance with the dictates of his church, goes to a sectarian segregated school and, therefore, is denied the tax-supported facilities that would be his if he attended a public school.

However, the argument founders on one firm fact: The State must provide for the child's education; the Roman church may provide for it. It is a matter of law with one, of policy with the other. It is the choice of the parents between the public school and the parochial school. No element of religious discrimination is involved. If the child's parents are exercising their religious freedom when they choose to send him to a parochial school, it is a freely assumed responsibility for them to provide total support for that education. The State cannot provide such a school; only the church can—and, should the Roman church desire to do so, that is its constitutional right.

The parent who sends his children to a parochial school must realize that the double levy that he takes upon himself is his own free choice. As a citizen, he must support the State and its government. That is his debt to Caesar. The second levy that he incurs is the parochial school fee. He pays this not because he is discriminated against, but because he, himself, discriminates against public education at the behest of his church. He is not a scapegoat when he pays his school tax, but a citizen like his neighbor who has no children.

Despite their 1,587 elementary and high schools, the Lutherans are not asking for Government aid; neither do the Seventh Day Adventists ask tax funds for their 1,054 schools. Both frankly admit that their parochial school systems exist to train youth in religion—their religion—and because of the U.S. Constitution and the Supreme Court's interpretation of the first amendment, neither feels it is equitable nor proper nor lawful to ask other citizens to help support its particular beliefs. The Roman Catholic is the only denomination that seeks public tax aid for its parochial schools, which, incidentally, enroll 93 percent of all sectarian segregated school pupils, according to its own statistics.

The majority of Americans will concede the right of any church to have and support a sectarian segregated school system, if it so desires, but they offer firm resistance to the efforts of any religious group to secure subsidies from public tax funds for support of its private schools. Sectarian segregated schools can be built up only at the expense of the public school system. Dr. James Bryant Conant, the distinguished educator, put the matter succinctly in these words, "To my mind, our schools should serve all creeds. The greater the proportion of our youth who attend separate sectarian schools, the greater the threat to our democratic unity. Therefore, to use taxpayers' money to assist such a move is for me, to suggest that American society use its own hand to destroy itself."

The public school system undeniably is the cornerstone of our republican form of government and anything which has a tendency to jeopardize or weaken the structure of our public school system in turn jeopardizes or weakens the democratic concept on which our Nation was founded and has flourished. As we have seen repeatedly, the Roman Catholic hierarchy utilizes any auxiliary services permitted their schools as steppingstones to obtain others, with its ultimate goal the complete tax support of its competitive school system. It is the old camel's-head-in-the-tent technique. The Roman Catholic parochial school system is the greatest divisive force in America today and further fractionating which would inevitably occur if there were congeries of separate sectarian schools for the Methodists, Episcopalians, Presbyterians, Baptists, Congregationalists, Jews, and the many other religious sects in this country would create an impossible situation.

STATEMENT OF M. V. LITTLE, CONSULTANT TO AMERICANS UNITED  
AND OTHER ORGANIZATIONS

Mr. LITTLE. I will read the first portion of my statement and then I will summarize the rest, if you won't mind.

Senator CLARK. All right.

Mr. LITTLE. Mr. Chairman, my name is M. V. Little. I have served as consultant to churches and other organizations on church-state problems for 15 years.

My concern, Mr. Chairman, is with the church-state problems inherent in proposals for Federal aid to education. It seems evident that the administration bill in those portions which deal with aid to elementary and secondary schools, as it now appears, cannot be faulted in regard to this matter.

The drafters have quite properly, according to the first amendment of the Federal Constitution and the constitutions and laws of most of our States, confined aid proposals to schools owned and operated by the public. It is my belief that private schools, particularly those which exist to impart a certain form of religious indoctrination, cannot constitutionally be included in the distribution of grants or loans by the Federal Government. This would seem to be the doctrine enunciated by the U.S. Supreme Court in the *Everson* case, 1947, the *McColum* case, 1948, and the *Zorach* case, 1952.

While the Court divided in all these decisions, it is remarkable that on the issue of direct grants to churches or church schools the Justices were unanimous in their prohibition. Thus, we might say that the Court has stood 27 to 0 in these three significant cases against any direct grants of tax funds for churches or their schools.

Much has been reported in the press about an amendment to the aid bill which would provide for low-rate, long-term Federal loans to private church schools for purposes of construction. Many Americans have been deeply disturbed at this proposed foray of the Federal authority into an area to which it has not previously sought access. I would hope that, if such an amendment is offered, it will be promptly defeated.

While I concede that a loan differs from a grant, there can be no question as to the intent of the loan under such a program. The intent of the loan would be to aid the teaching of religion. This is true because the church itself exists for the purpose of teaching religion. If it existed only to teach the three R's, then its existence would have no point, for public schools do this adequately.

The sectarian school exists because of an insistence of a certain religious group on "something more" in the education of children. The "something more" on which they insist is frequently called by them "God" in education, but it is in actual substance the sectarian teaching of their own group. Federal aid, then, whether in the form of loans to these institutions, as has been proposed, or in the form of grants, is nothing but aid to the teaching of religion.

As such, many feel it would represent a radical departure from our constitutional tradition of the past century and a half.

It would seem, Mr. Chairman, that it might be for the best interest of these private institutions that they themselves oppose programs of this kind. This would apply to colleges as well as to lower schools.

Let us say that a program of loans or grants for sectarian schools is initiated by the Congress. Would not citizens then begin to importune the administration to correct certain teachings in these schools which they might deem inimical to their own faith or lack of faith?

Already we have heard concern expressed over admissions policies of schools which might be deemed inadequate for schools participating in Federal aid. Such concern by the Congress is legitimate and proper.

Such concern would also legitimately and properly extend to private or parochial schools that were to receive Federal aid. It is inevitable, Mr. Chairman, that Federal expenditures are always followed by a measure of Federal supervision and/or control. It could not be otherwise.

It is evident, therefore, that despite sincere but unrealistic protestations to the contrary all schools receiving Federal aid will, to some extent at least, come under Federal standards and under Federal supervision and control.

This is the concession these institutions make for the sake of the aid they receive. Their administrators should understand this clearly. If they do not want to come under a measure of state control, then they should cease their pressure for public money.

One further point in regard to Federal aid to sectarian schools deserves comment. Can such aid in any category be called aid to the child and not properly aid to the institution? Many believe this to be a distinction without a difference.

Anything done to improve a school or its program no doubt is of some benefit to the child in the school. Education itself is a form of welfare. We must not forget what we have already cited—the fundamental purpose for which the sectarian school exists.

That purpose is the purpose of the church which owns and operates the school. What the church is the school is; what the school is the church is. In a Roman Catholic parish, to give one example, the parish school is physically owned by the bishop of the diocese—not by the parents, and certainly not by the Government. School and church are constituent parts of an integral whole.

It would be impossible to aid one item of the school budget without aiding all or to aid the school without aiding the parish of which it is a part.

The financing of churches and their schools has always been cared for by voluntary gifts. It is to be sincerely hoped that Roman Catholic bishops will not try to sabotage aid to American schoolchildren because their own parish schools cannot be included.

Their church and other churches have flourished under the arrangement of voluntary giving. We trust this arrangement can be continued.

The other material has to do with some of the differences between public and Roman Catholic parochial schools, a contrast in how they are organized, the fact that they are not owned by communities of citizens as public schools are owned, and that there is no control by the citizens, the taxpayers, the parents, over what is taught in the schools or the policies of the schools or the teachers that are employed in the schools.

They have no recourse if they do not agree with anything that occurs in the parochial school. I think another thing that is of great importance, too, is the fact that, well, we often feel that the parents want God-centered education for their children, but as a matter of fact, as some people know, but it is not very well known, there is a Roman Catholic parochial law which states that Catholic children must not attend non-Catholic, neutral, or mixed schools; that is, such as are also open to non-Catholics.

It is for the bishop of the place alone to decide, according to the instructions of the Holy See, in most circumstances and with what precautions attendance at such schools may be tolerated without danger of perversion to the pupils.

And many of the dioceses in the United States have varied local statutes of their own of which this is a typical example. This is from the Indianapolis diocese, statute No. 117:

Where a Catholic parochial school exists, parents ordinarily violate the general canon law of the church (canon 1374) if they send their children to public or non-Catholic schools. If they persist in this violation, they sin gravely and cannot be absolved until they make proper adjustment with the bishop through the pastor.

That is Statute 117.

As a matter of fact, here is a paradox: We have a plea for freedom in education by a religious hierarchy that begins by taking away its own members' freedom in education. Roman Catholic parents, who accept the authoritarian control of the hierarchy in education, are thereby deprived of their freedom of choice.

They can do nothing but send their children to Roman Catholic parochial schools, unless the diocesan bishop is willing to make an exception. This fact demonstrates that what is being sought is certainly not genuine freedom of choice for parents who, out of personal conviction, send their children to church schools. What is sought, rather, is to place the sanction and the financial subsidy of the State behind this particular form of sectarian coercion.

What is really being sought is tax support for Roman Catholic schools as a reward for the success of the Roman church in enforcing that denominational rule on its members. This is not a proper use of tax dollars by a democratic government.

It should never be lost sight of that religious schools are clearly established to serve the sectarian purposes of the sponsoring religious group. Nor should it be overlooked that a sectarian segregated parochial school is in no sense a public school.

The buildings are not owned and controlled by a community of citizens, but by the diocesan bishop as a "Corporation Sole" and he is under the absolute control of a foreign potentate.

The parents of the children attending such schools are not represented by a democratically elected school board which is responsible to them. The determination of teaching policy and curriculum and the selection of a faculty for a parochial church school do not rest with a school board, but with the authorities of the parent church of which the school is an integral part.

The axiom that voters and taxpayers have a basic right to enjoy a decisive voice in how their tax money is used is denied by the Roman Catholic parochial school system. The taxpayers and voters,

as such, would have no voice at all in the supervision of expenditures of public tax funds used by the parochial schools.

Such decisions would rest with the hierarchy of the Roman church, not with the community. Advocates of public aid to parochial schools either overlook or make light of one basic fact:

The only way a parochial school can lay claim to public tax money is to become a public school—which would surely defeat the very purpose for which it was created. Sound public policy demands that State and local public educational bodies be able to exercise at all times the right to review and control educational policies in any institution or agency for which public moneys are appropriated and expended. Public responsibility for support of education implies public responsibility for the policies which are supported.

I also would like to cover the matter of double taxation which is a cry we often hear.

The cry of Roman Catholics that they are victims of "double taxation" because they must pay both the tax levy for public schools and the church fees for the education of their children in parochial schools is unjustified.

They are required to pay public school taxes, but they choose to do the other. If the discipline of the Roman church causes them to send their children to a sectarian segregated school, that is a matter between them and their church. It can hardly be called double taxation from the standpoint of civil law.

It would seem just as logical that I, with no school age children of my own, should receive relief from the public school tax because I have no children utilizing its facilities. But, along with hundreds of thousands of other bachelors, single women, and childless married couples, I help foot the education bill to the tune of over \$550 per year in local school taxes since I accept the sound democratic principle that everyone should share in supporting the public schools which are provided for all.

While we may not be paying for an individual advantage, we are participating for the general public good. The public school tax is not a charge for services rendered. If it were, the parents of two children would pay twice as much as the parents of one, and childless persons and corporations would pay nothing.

The plea that the Roman church school actually saves the community money, since it relieves the public school of the need to provide for additional children, is equally specious. To begin with, the community did not request the Roman church to aid it in this matter; the church chose to do so—and not in order to relieve the community of expense, but in order to achieve purposes peculiar and important to the church.

If the Roman church should discontinue its parochial schools, we would need to build additional schools or extra classrooms to care for their students and we would—of that there can be no doubt. It would be our duty and immediate obligation to do so.

But, when the Roman church seeks public tax funds, this plea dies at once, since they are asking that they be treated as public schools at the tax office but nowhere else. The situation is reduced to this very hard fact: Where the parochial school differs from and offers an additional ingredient beyond that available in the public school

it is in the actual propagation of a particular religious faith—instruction in the doctrine and practices of its parent church—and the State cannot subsidize this so long as the Supreme Court's decisions stand.

To subsidize parochial schools from public tax funds would be, therefore, to subsidize religion. It would be a requirement for all citizens to pay for a form of religious indoctrination with which they may not agree and which may indeed outrage their own convictions.

It would be not only to flout the Federal Constitution, but also to deny the respect for individual religious beliefs on which it is based. It would be to inaugurate in a free country one of the cruelest forms of tyranny. As Thomas Jefferson phrased it, "To compel a man to furnish contributions of money for the propagation of opinions which he disbelieves, is sinful and tyrannical."

And why, indeed, should members of other faiths be expected to support sectarian schools which by their teachings seek to foster division and disunity amongst Americans of diverse faiths; schools which use textbooks such as "Living Our Faith," book 3 in "The Catholic High School Religion Series" by Flynn, Loretto, and Simeon, bearing the imprimatur of Cardinal Spellman and published by W. H. Sadlier, Inc., of New York. "Living Our Faith" teaches impressionable young people that non-Roman faiths are "false" and "counterfeit," which is on page 112, that marriages performed by non-Roman clergymen, even though in accordance with the civil laws of this country, are "attempts at marriage," are "meaningless and sinful" and "null and void," which is on page 290.

Also, that it is "scandalous" for Roman Catholics to attend a service of another denomination; and "a sin against faith and a rebuff to God" for them in any way to participate in such a service; that the American principle of separation of church and state is inferior to a principle of church-state union; that a man who joins the masonic fraternity embraces a "false religion" and that such splendid organizations as the Salvation Army and the YMCA are "forms of false worship."

The argument that refusal of public tax moneys to parochial schools is, in effect, a form of religious discrimination against Roman Catholics may seem plausible to some. Here is a Roman Catholic child, for example, whose family is taxed for public education and it would be provided for him from public tax funds if he attended a public school, but the child, in compliance with the dictates of his church, goes to a sectarian segregated school and, therefore, is denied the tax supported facilities that would be his if he attended a public school.

However, the argument founders on one firm fact: The State must provide for the child's education; the Roman church may provide for it. It is a matter of law with one, of policy with the other. It is the choice of the parents between the public school and the parochial school. No element of religious discrimination is involved. If the child's parents are exercising their religious freedom when they choose to send him to a parochial school, it is a freely assumed responsibility for them to provide total support for that education. The State cannot provide such a school; only the church can—and, should the Roman church desire to do so, that is its constitutional right.

The parent who sends his children to a parochial school must realize that the double levy that he takes upon himself is his own free choice.



As a citizen, he must support the State and its government. That is his debt to Caesar. The second levy that he incurs is the parochial school fee. He pays this not because he is discriminated against, but because he, himself, discriminates against public education at the behest of his church. He is not a scapegoat when he pays his school tax, but a citizen like his neighbor who has no children.

Despite the 1,587 elementary and high schools, the Lutherans are not asking for Government aid; neither do the Seventh Day Adventists ask tax funds for their 1,054 schools. Both frankly admit that their parochial school systems exist to train youth in religion—their religion—and because of the U.S. Constitution and the Supreme Court's interpretation of the first amendment, neither feels it is equitable nor proper nor lawful to ask other citizens to help support its particular beliefs.

The Roman Catholic is the only denomination that seeks public tax aid for its parochial schools, which, incidentally, enroll 93 percent of all sectarian segregated school pupils, according to its own statistics.

The majority of Americans will concede the right of any church to have and support a sectarian segregated school system, if it so desires, but they offer firm resistance to the efforts of any religious group to secure subsidies from public tax funds for support of its private schools. Sectarian segregated schools can be built up only at the expense of the public school system.

Dr. James Bryant Conant, the distinguished educator, put the matter succinctly in these words:

To my mind, our schools should serve all creeds. The greater the proportion of our youth who attend separate sectarian schools, the greater the threat to our democratic unity. Therefore, to use taxpayers' money to assist such move is for me, to suggest that American society use its own hand to destroy itself.

The public school system undeniably is the cornerstone of our republican form of government and anything which has a tendency to jeopardize or weaken the structure of our public school system in turn jeopardizes or weakens the democratic concept on which our Nation was founded and has flourished.

As we have seen repeatedly, the Roman Catholic hierarchy utilizes any auxiliary services permitted their schools as stepping stones to obtain others, with its ultimate goal the complete tax support of its competitive school system. It is the old camel's-head-in-the-tent technique.

The Roman Catholic parochial school system is the greatest divisive force in America today and further fractionating which would inevitably occur if there were congeries of separate sectarian schools for the Methodists, Episcopalians, Presbyterians, Baptists, Congregationalists, Jews, and the many other religious sects in this country would create an impossible situation.

Thank you.

Senator MORSE (presiding). Thank you very much for the record you made this afternoon.

You are aware of the chairman's ruling that the record will be kept open for 3 or 4 days after the formal hearings are ended and you are privileged to file any supplemental statement, including a rebuttal statement, concerning the material which has been put in the record by others during the course of the hearing.



I want to be sure that everyone who testifies knows that they will have ample opportunity to make the full record.

Mr. LITTLE. Thank you.

Senator MORSE. Thank you very much for your testimony.

I would like to recall, if I may, Senator Mercano of Puerto Rico to the stand for a question or two.

**STATEMENT OF HIPOLITO MERCANO, GRAND MASTER OF THE  
MASONIC LODGE, PUERTO RICO—Recalled**

Senator MORSE. First, I want to express my apology to Senator Mercano for not being here when you testified but I had committed myself to make a radio tape with Senator Cooper on the education bill. He has introduced a bill and the program was to discuss his bill as compared with the administration's bill. It was a longstanding commitment.

I did not know it would fall at the time that you would be before the committee. I want to say as a member of the Foreign Relations Committee, that I would have liked very much to have you stay long enough to sit down with us on the Senate Subcommittee on Latin America, to give us the benefit of your views while you are in the continental United States.

I understand you are leaving tonight and will not be here.

Mr. MERCANO. That is right, sir.

Senator MORSE. Well, I would like to invite you to feel free to send to the Subcommittee on Latin America any information or material which you think would be helpful to us in connection with some of the issues which confront us these days in Latin America.

It has not been raised in the discussion in these hearings today in connection with the separation of church and state problem, but I thought you might be able to make some observations on one phase of the problem. As you know, our foreign aid program, in various parts of the world, including our foreign aid program in Latin America, contains or has contained some grants which were turned over to the governments and interests concerned.

It has been said to me that in some instances some of the foreign aid, economic foreign aid money, is used in part to assist a country in connection with the various phases of its educational program. It has also been pointed out to me that in a good many countries into which our foreign aid money goes that the private schools are dominant; that while public schools exist, they do not play as great a role in the educational processes of the country as in our own.

I have two questions to ask you:

First, as to whether or not, to your knowledge, some of this foreign aid money does get into private schools that are church denominational, and, secondly, if it does, and I am advised to some extent it does, in your opinion, would this be a violation of our constitutional separation of church and State doctrine or is that doctrine, in your opinion, limited entirely to the expenditure of funds of the American taxpayer on American schools?

One more explanatory note: Consider this a hypothetical note. It is the same taxpayers' money, whether it is used in a denominational

school in the United States or in XYZ countries in Latin America or elsewhere.

I feel that you have a closeness to the Latin American situation, and I would like to ask for your observations on that rather complicated question.

Mr. MERCANO. Well, sir, on the first part of the question, I know that there are loans to foreign countries that are used by Latin American countries in different phases of their activities, including, of course, the support of their school system.

As you know, sir, in many countries in Latin America the parochial schools, private schools, are supported by the state.

Senator MORSE. That is why I raised the question. That is a common practice?

Mr. MERCANO. That is right.

Senator MORSE. In those countries the state funds go to denominational schools?

Mr. MERCANO. In fact, in some Latin American countries, as you know, the church controls the public education. They determine the policies and the system of public education.

And, certainly, when this country receives loans from the United States, which are used for their activities, this money is channeled into the hands of the people who control education, including private schools and parochial schools.

Now, then, we move into the second part of your hypothetical question, and I will give you a hypothetical answer, because I know that the Supreme Court of the United States has never tested this particular angle in regard to the use of public funds.

I think that inasmuch as this is taxpayer's money and the taxpayer's money is controlled by the fundamental law of the land, which is the Constitution of the United States, that control should accompany taxpayer's money in all uses given to it by the Federal Government.

In other words, if the Federal Government may grant a loan to a foreign country and this loan is to be used to subsidize a church or a system of public education, controlled by the church, there should be a limitation to that.

I think that it is equally unconstitutional because what is constitutional and legal within the national boundaries should also accompany the same guarantee for that money everywhere it goes. And I don't think that because our money goes to a foreign country, they can do with the money what we cannot do with our own money in our own country.

Therefore, the limitation as to the use of public funds should accompany the loan when it goes to a foreign country.

Senator MORSE. Well, I am very glad I raised this question with you, because I wanted to get your point of view on it.

I am sure we are going to hear more about this problem from the other side. Their argument, so to speak, is that the separation of church and state doctrine is a doctrine which is limited in nature to the support of religious institutions in our own country. They would hold it has nothing to do with any assistance, in connection with carrying out our foreign policy, which our Government might decide would be helpful in strengthening our relationship with foreign countries.

They would assert that this would follow even for countries which contribute money to both private and public schools.

In other words, the argument is that if we make the appropriation for foreign policy purposes, the countries' rights of sovereignty are fixed when the grant is made. It is a matter of foreign internal concern as to what use they put the money to. If we didn't follow that rule clearly then we would be only encouraging the adoption of subterfuges to which, in a different field, I now call to your attention.

As you know, we have had the policy of not openly supporting state monopolies in other countries. So when Mexico has sought a loan or Brazil has sought loans for state oil monopolies in Brazil, our position has been, that we make money available only on a licensed basis of granting permits to private oil companies to come into their areas to explore for oil. What could happen is that then they ask for money for other purposes, which we grant or which we have granted, in the past, I will put it that way, knowing full well that by granting money for other purposes some countries then used their own money to develop their own state monopolies.

I have always felt that this was somewhat of a subterfuge and I have had a little difficulty in responding to it with enthusiasm.

In this instance, the argument goes that if you seek to interfere with the exercise of alien sovereign rights or what they claim to be their sovereign rights, including the use to which they put the money, that such restriction is a part of the foreign aid program and it involves an interference in the domestic affairs of the recipient states.

The argument further, is that the separation of church and state doctrine is a doctrine limited to our own governmental affairs and should not be extended to policies followed in other lands.

It is your point of view that these, the main differences on this issue, notwithstanding that, in my judgment, we are getting down to matters of degree, are, whether or not a loan in the field of higher education to some specific denomination college is permissible, a general loan made available to all private schools wouldn't be permissible, or a general loan to all private elementary and secondary schools would not be permissible because of its general scope. It raises these lines of degree which I have a little trouble following, to be honest about it, but, nevertheless, I think one can draw these distinctions.

That is why I wanted to recall you to the stand. To have you, from what I knew to be your own knowledge, point out for the record the fact that in many of the countries in which we are making foreign economic aid loans, the educational process is founded, for the most part, not upon public education but upon private education, and that private education is for the most part church-school administered.

Do you have any further comments?

Mr. MERCANO. Yes. I think, sir, that in regard to this loan to foreign countries, we have to be careful, because the theory that they are free to use the money, and I say "they," and that we who loaned the money do not put any limitations whatsoever on it because that could be interpreted or is interpreted as an interference in the private affairs, that theory, I think should be reexamined. I know from my own experience that sometimes loans made by the United States to foreign countries are used against the best interests of the people in that particular country. And I have heard criticisms from peo-

ple, who have told me that we are contributing to the local evils, because we are helping the causes that create these evils. For example, in the particular case of the use of public funds that come from loans to support private schools, I have heard people in different countries of Latin America are raising the same objection, that this money is used to support church schools and church activities, and that the Federal Constitution of the United States prohibits such an activity.

But by the simple maneuver of making a loan to a foreign country they are circumventing the constitutional limitation which forbids nationalists to do what foreigners can do in their own country.

Now, that certainly creates antagonisms and ill feelings against us in some foreign countries. I think we should examine or reexamine the problems.

There is no doubt that our country, in the best faith, is trying to do a good job to help other underdeveloped countries and countries with financial problems to face and meet squarely their problems. He who lends money, sometimes puts specific limitations on it which is a perfectly legal transaction. And when it goes that far that the money is used to do things which are forbidden by our own Constitution to our own nationals, certainly, we should reexamine the problem and adopt a policy on that point.

Now, this could go into an absurd area. We could lend money to a so-called neutral country which, in turn, does business with Communist-dominated countries and they may use this money for this activity which, absolutely, is contrary to the interests of the United States.

And we might find ourselves where our own money is going into certain activities in this country contrary to the security of the United States.

Senator MORSE. Well, I am very glad I gave you this opportunity to come back.

Thank you very much, Senator, and a good trip home to you, with the hope that you will be back soon.

Mr. MERCANO. Thank you very much, sir. I will be very glad to be of any help to the subcommittee if I can.

Senator MORSE. I here and now make my Latin American Subcommittee the place for you to send any information to us which will be of help to us.

Mr. MERCANO. Thank you, sir.

Senator MORSE. We will recess until 9:30 on Monday.

(Whereupon, at 4:30 p.m., the subcommittee recessed, to reconvene at 9:30 a.m., Monday, March 13, 1961.)

# PUBLIC SCHOOL ASSISTANCE ACT OF 1961

---

MONDAY, MARCH 13, 1961

U.S. SENATE,  
COMMITTEE ON LABOR AND PUBLIC WELFARE,  
SUBCOMMITTEE ON EDUCATION,  
*Washington, D.C.*

The subcommittee met, pursuant to recess, at 9:30 a.m., in room 4232, New Senate Office Building, Senator Wayne Morse (chairman) presiding.

Present: Senators Morse (presiding), Yarborough, Randolph, Goldwater, and Case.

Also present: Senators Dirksen (member of the committee), Metcalf, Cooper, Engle and Proxmire.

Committee staff members present: Stewart E. McClure, chief clerk; John S. Forsythe, general counsel; Charles Lee, professional staff member of the subcommittee; Michael Bernstein, minority counsel; Raymond Hurley and John Stringer, associate minority counsels.

Senator MORSE. The hearing will come to order.

The Chair will call as the first witness this morning out of our regular order, Mrs. Eugene E. Meyer, author, and lecturer in the field of education.

I want to say to Mrs. Meyer that I am delighted to have her as a witness this morning. I think the record should show also that for many, many years this subcommittee has from time to time heard Mrs. Meyer. I have heard her a good many times during my nearly 17 years in the Senate, and I want to express to her my appreciation in behalf of the subcommittee for her cooperation and for the assistance that she has been to the committee for many years.

We are delighted, Mrs. Meyer, to have you as a witness this morning. You may proceed in your own way.

## STATEMENT OF AGNES E. MEYER

Mrs. MEYER. Thank you very much, Mr. Chairman.

My name is Agnes E. Meyer. I represent no organization. I cannot come before you with the boast that I am speaking for some powerful lobby. If I represent any group, it consists of the millions of American children I have encountered in many different parts of our country who are being denied the right of every American child to a good education, a large, tragic group that leaves me no peace of mind.

Therefore, in supporting S. 1021 I shall confine my plea to that section of the bill which provides Federal aid to our elementary and secondary schools. I am by no means opposed to the assistance the

bill will bring to our colleges. They are greatly in need of it. But our colleges can be saved much time, effort, and expense if the education in our public schools is sufficiently improved so that public school graduates will enter the colleges adequately prepared to meet the demands of higher education. If we are to strive for excellence in education, if we are to salvage the talents of thousands of pupils that are now being wasted, it is, above all, the elementary school that must be improved throughout the country. Only then can we really improve the quality of education in our high schools. Only then will the colleges be able to devote themselves to their proper function, the preparation of mature students for professional work. Therefore, I think it practical, as do many others, to focus on S. 1021, as a bill for Federal aid to public schools.

Gentlemen, I support S. 1021 with enthusiasm for many reasons. It is not extravagant. Those who know the urgent needs of our school system are aware that even high appropriations could be used to good advantage. But even this amount of financial assistance will help the States meet their most serious deficiencies and encourage them to greater effort—as indeed the bill requires. The bill is just since the needier States will receive the larger per capita allotments. It calls for creative effort by allotting 10 percent of the first year's grant for experimental projects designed to cope with the new educational problems of our technological era. It takes into consideration the special needs of the disadvantaged and the especially gifted children. But this is perhaps the most important feature of the bill—namely that it leaves the States free to use the major part of their allotments either for school construction or for teachers' salaries. I have fought for many previous bills, as you said, Mr. Chairman, for Federal aid to education but S. 1021 seems to me the most perceptive, balanced, and stimulating of such measures.

As for the importance of Federal aid to education, no witness need add a word to President Kennedy's special message on education. It is indeed heartening to have a President who knows that "our progress as a nation can be no swifter than our progress in education" and that "the human mind is our fundamental resource." This is a trenchant statement that cannot but lift the hearts of our educators and of our people as a whole. I think it is encouraging that we have a President who realizes the importance of education to the national welfare, security, and prestige. As a former Republican I hope the bill will receive the support not only of Democrats but of all liberal Republicans.

Therefore, gentlemen, I shall confine my testimony to answering a few of the major criticisms that have been made of S. 1021.

Some opposition has been voiced to the provision of the bill which leaves the States free to use their allotments either for school construction or for raising teachers' salaries. It has been charged that Federal aid to improve teachers' salaries might lead to Federal dictation as to what should be taught. But experience of more than a century with Federal aid proves that there has never been the slightest Federal influence on what shall be taught and who shall teach in our public schools. The public school is so firmly imbedded in community life and local control that any attempt to influence it from Washington would be impossible to achieve. I need only refer you to a

recent example of Federal aid—to the assistance given the schools in impacted areas, both to construct facilities and to pay the teachers. Even in counties adjacent to the Nation's Capital, Montgomery County, Arlington County, and others, any attempt on the part of the Commissioner of Education to reach across the District line and examine the curriculum would have met with a storm of indignation by the local citizens. On the other hand, Mr. Chairman, it is important to leave the States free to decide what they need more—another school or higher salaries. Some States have made great efforts in school construction and are, therefore, unable to increase the teachers' salaries. Almost everywhere salaries need some improvement if we are to attract the superior talent we now need in our public schools. The standards for teacher training have been raised in many States. But we shall lose these more highly qualified teachers to industry and to other better paying jobs, unless we make it possible to attract men and women, with family responsibilities, to remain in the teaching profession.

Now let us consider the objection of some southern officials that Federal aid will hasten school desegregation. The bill explicitly states under the heading, "Assurance Against Federal Interference in Schools:" "In the administration of this title, no department agency, officer, or employee of the United States shall exercise any direction, supervision, or control over the policy determination, personnel, curriculum, program of instruction, or the administration or operation of any school or school system." What more protection could the segregationists require? Let me refer again to the Federal aid bills for impacted areas. Under this program which has been in existence for 10 years such attempts as were made to force localities, where segregation was customary, to change their policies, were unsuccessful.

To those who, like myself, would like to see school desegregation make greater progress, I should like to say that we must not fuse or confuse our purposes. Any revival of what was called the Powell amendment which refused Federal aid to States that had not yet achieved desegregation, would endanger passage of S. 1021, and, therefore, would be a great disservice to Negro students in Southern States. The South has a more acute need of classrooms and increased teachers' salaries than any other section of our country. Let's take one step at a time. We shall do more to alleviate the fears of the South if we first help these States to get better schools both for whites and for Negroes, than if we say to them, "Desegregate or else." The adherents of desegregation, and liberals who wish to force the issue, should remember that, when it comes to Southern States, you cannot desegregate schools that are nonexistent. You cannot desegregate a school you have not got.

When I was last in Louisiana, many Negro children either did not go to school or went to makeshift schools in their little country churches. There never can be peaceful desegregation if the white and Negro children have to fight for space in the local schools. Therefore, I hope the problem of desegregation will not be raised in connection with S. 1021. It is extraneous. Our educational problems are too acute and too numerous to be impeded by partisan disputes.



And this brings me to another dispute over the provisions in S. 1021 that must be faced. President Kennedy in his message on education said:

In accordance with the clear prohibition of the Constitution, no elementary- or secondary-school funds allotted for constructing church schools or paying church-school teachers' salaries.

President Kennedy, a Catholic, has pronounced in categorical terms that the separation of church and state forbids the use of public tax moneys for parochial or other private schools.

He cited the opinion of Justice Black in the *Everson* case which carefully traces the long battle in our country in the State courts and constitutions to separate religion and government, as a result of which "the structure of our Government has, for the preservation of civil liberty, rescued the temporal institutions from religious interference."

Then the President referred to Justice Black's significant summary as to the meaning of the "establishment of religion" clause of the first amendment. Said Justice Black:

It means at least this: Neither a State nor the Federal Government can set up a church. Neither can pass laws which aid one religion, aid all religions, or prefer one religion to another. \* \* \* No tax in any amount, large or small, can be levied to support any religious activities or institutions, whatever they may be called or whatever form they may adopt to teach or practice religion. Neither a State nor the Federal Government can, openly or secretly, participate in the affairs of any religious organizations or groups and vice versa. In the words of Jefferson, the clause against establishment of religion by law was intended to erect a "wall of separation" between church and state.

Gentlemen, the country is fortunate in having as President a Catholic who respects the opinion of the Supreme Court so profoundly that he stated, "There can be no argument about this matter." It is a position that I have defended for many years in congressional hearings and in official educational commissions. For taking this position I was formerly accused of being anti-Catholic. Now that I am supporting the position of a Catholic President, I hope I can no longer be accused of such an unworthy prejudice.

Ignoring this clear and unanswerable position that the Constitution forbids Federal aid to parochial schools, a small group of Catholic cardinals and archbishops have issued a statement that the Catholic parochial schools must share in Federal aid to education or these prelates will use their political influence to oppose "discrimination against Catholic children."

Archibishop Alter, speaking for his fellow bishops states:

In the event that there is Federal aid to education we are deeply concerned that in justice Catholic school children should be given the right to participate.

There is no denial of participation to Catholic children in the benefits of the bill. At least half of the country's Catholic children go to public schools, and the others could do so if they wish to. The denial of Federal aid is thus not to Catholic children but to parochial schools where religious indoctrination is part of the curriculum. The parents of Catholic parochial school children would also benefit by Federal aid to our public schools. Any measure that helps the community to provide better public education without raising local taxes is an indirect benefit to such Catholic parents. Some Catholics object to paying any taxes for public schools, since they are obliged to pay to send their children to parochial schools. If we American

citizens are allowed to escape any legal tax because we prefer to do something else with the money, it would soon become difficult to collect any taxes. There cannot be a tax escape clause for Catholic taxpayers and none for other citizens.

Archbishop Alter accepts the fact that direct grants to parochial schools are unconstitutional when he says "We hold it to be strictly within the framework of the Constitution, that long-term low-interest loans to private institutions could be part of the Federal aid program." This is evasion without a difference since such loans would be a form of subsidy to parochial schools. If the going rate of interest is, say, 4 or 5 percent and the low interest demanded by the Catholic clergy something like 2 percent the difference would be direct subsidy and therefore equally unconstitutional. Besides I see no reason why our Federal Government should go into a business partnership with the Catholic bishops even if they should pay the full rate of interest.

Furthermore, if grants in the form of loans were made to the Catholic schools they would have to be made to all private schools. Why should not the Southern States, who in their attempts to avoid desegregation are experimenting with private schools to replace public schools, demand Federal aid for these private schools? By such means the public school system could be destroyed and desegregation could be indefinitely postponed. It is clear, gentlemen, that any support in whatever form to sectarian or nonsectarian private schools would gradually but inevitably destroy or at least undermine our greatest bulwark of freedom and democracy, the public school system. As James B. Conant said several years ago in discussing this problem: "We should be committing national suicide." We would indeed be cutting our own throats.

Senator MORSE. Mrs. Meyer, would you care if I interrupt at this point for clarification?

Mrs. MEYER. I do not mind, not at all, if you wish it. Otherwise I would like to finish, and then do the whole job all at once. I can leave out some of the later pages.

Senator MORSE. Oh, no, I do not want you to leave out a word. I just thought we might talk for a minute, if you do not mind—

Mrs. MEYER. Indeed not, sir.

Senator MORSE. I would like to talk just for a minute about this interest rate matter on loans. Let us go back to your statement where you say:

If the going rate of interest is, say, 4 or 5 percent and the low interest demanded by the Catholic clergy only 2 percent the difference would be a direct subsidy and therefore equally unconstitutional. I see no reason why our Federal Government should go into a business partnership with the Catholic bishops even if they would pay the full rate of interest.

Mrs. MEYER. Shall I proceed?

Senator MORSE. No, I want to ask a question about that.

Mrs. MEYER. All right.

Senator MORSE. Of course, I want to enter a caveat. First, that if a private school or any other private institution pays what you refer to as the full rate of interest, then I have little difficulty concluding that such would be a business partnership.

The point I want to comment on is, if we can determine the question of fact, and it is a question of fact, which may vary as economic conditions vary, but if we can determine the question of fact as to what the cost of the use of the money is; charge that interest rate which covers the cost of the use of the money, in order to avoid the charge that a subsidy is being granted the private school; and if, it is considered that there is a public interest in seeing to it that the child who goes to a private school has the advantage of getting those minimum standards of education that we consider to be in the public interest; would you then say that the Congress in a separate and independent bill, not connected with this bill at all, might very well give favorable consideration to an interest-bearing loan which covers the cost of the use of the money, just as we presently give loans or make loans to other private institutions, including, in some instances, hospitals which are operated under religious auspices?

Mrs. MEYER. No, sir; I would not.

Let us confine it to the public schools. I think that it would be a direct grant, but I come later to the other difficulties of such a loan, and then add that if it is a separate measure, it would be sensible if the Congress wishes to experiment with this, that it should be a separate measure, and then it would be up to the Supreme Court to decide whether it is constitutional or not. I am no lawyer and therefore I do not pretend—

Senator MORSE. I am sorry that I had not read ahead. I thought you were leaving the subject.

Mrs. MEYER. No; I am coming to it.

Senator MORSE. I thought you were leaving the subject matter.

Mrs. MEYER. May I bring in all I have to say about the loans, nevertheless?

Senator MORSE. Yes.

Mrs. MEYER. Such loans to private schools would also be impossible to administer. Imagine the rivalries, the hatred between religious groups that would be stirred up as each group fought the other for the lion's share. Our country would be torn to pieces, and violent hostility to the Catholic Church would be unleashed at a time when we thought that the election of a brilliant and courageous Catholic as President of the United States would tend to allay the fear of Catholic power and domination in our country. Another thing I did not mention is that all kinds of private schools would spring up in order to get these loans.

In any case, Mr. Chairman, I agree with your suggestion which, I think, you made a few days ago, Senator, that the question of such loans should be postponed for a separate bill. If the Congress should pass such a bill, then it could be left to the courts to decide whether the bill is or is not constitutional. But if the loans are made an amendment to S. 1021 the President would obviously be obliged to veto it.

The most ominous part of Archbishop Alter's statement is the implication that the National Catholic Welfare Conference will not support Federal aid to education if Catholic schools are denied participation in the allotted funds. To be sure, Archbishop Alter's statement is cautious. He says that—

The question of whether or not there ought to be Federal aid is a judgment to be based on objective, economic facts connected with the schools of the country, and this should be underlined \* \* \*

This may be merely a hope on his part—I do not know—that other conservative forces will try to defeat the bill and thus remove the onus from the Catholic prelates if S. 1021 should be defeated. On the other hand it is interesting that Archbishop Alter adds:

Catholics are free to take a position in accordance with the facts.

This freedom, Mr. Chairman, is something new and interesting. The bishops when issuing statements have never before to my knowledge, at any rate, invited free discussion of their opinions by the Catholic laity.

Since the Catholics who share the bishops' opinion that their church must receive some sort of Federal aid, are most vociferous, I hope those Catholics who support the President in his forthright interpretation of the Constitution on the subject of Federal aid to parochial schools, will write or telegraph him to that effect.

Despite this surprising notice to Catholics that they are free to express their own views, Archbishop Alter concludes with the somewhat ominous statement:

In the event that a Federal aid program is enacted which excludes children in private schools, these children will be the victims of discriminatory legislation. There will be no alternative but to oppose such discrimination.

Does this mean that the Catholic hierarchy will use its immense political power to defeat Federal aid to our public schools or that it will offer a subsequent bill for aid to parochial and other private schools?

I think the press, Mr. Chairman, have missed the fact that church authorities have not issued an ultimatum, but left their position ambivalent.

Thus, it may be useful to point out that there happen to be several factors in our present situation which would make any overt attempt on the part of the Catholic hierarchy to defeat S. 1021 precarious to the Catholic Church itself.

At a time when more and better education is essential to our Nation's security, if the Catholic bishops help to defeat the bill to improve our public schools, they run the risk of weakening the only country that is as yet strong enough to halt the ominous progress of communism. It is common knowledge that our country needs thousands upon thousands of highly trained people if we are to hold our own here at home and throughout the world against the brilliant machinations of the Communist powers. We have already lost time and talent in this battle of brains because for years we have neglected the greatest source of power we possess, the thorough education of our children. Given this critical situation, can the Catholic bishops afford to say to our Congress, "Either give us what we demand in support of our parochial schools, or we shall use our power to add a crippling amendment for Federal loans that will destroy all possibility of its passage through Congress"?

The Catholic Church leadership must also bear in mind that this is an era when the whole world is struggling toward ever greater freedom—freedom from all authoritarian domination, including ecclesi-

astical domination. As Justice Black pointed out, the preservation of civil liberties demands that our temporal institutions be rescued from religious interference. When the Catholic Church was weak, it flourished because the first amendment secured its religious liberty. Now the church has become powerful because its numbers were increased through years of Catholic immigration and because these immigrants were lifted from abject poverty in our prosperous country. The Catholic prelates cannot have it both ways. If one aspect of the "establishment of a religion clause," namely the freedom of religion, made them strong, it is downright ungrateful—yes, it is unethical—that they now use their strength to destroy or try to destroy what Justice Black defined as the complementary aspect of the establishment of a religion clause which calls for the absolute separation of church and state in our Republic. Having profited by this country's ideals the Catholic prelates now seek to destroy them by whittling down the meaning of the first amendment.

Gentlemen, now that we have a Catholic President who, like the Supreme Court Justices, is determined to uphold the separation of church and state—now is the moment to reject completely and forever the medieval concepts of the Catholic cardinals that our Government should bow down to their will and accept the alien European Catholic doctrine that the Federal Government must support their schools and thus support their churches. The shot fired at Concord was indeed heard around the world. It is now reverberating more loudly than ever throughout every corner of the globe. It is time that its pregnant message of freedom from all forms of tyranny including ecclesiastical tyranny reached the ears of the American Catholic cardinals.

Mr. Chairman, it is of utmost importance that this bill S. 1021 be recognized as what the President intended it to be; it is a one-package bill that takes care of public elementary and secondary education and public school education only. Aid to higher education, whether public or private, and to nonpublic schools, as well as integration in education are problems that should be dealt with in separate legislative proposals.

Gentlemen, S. 1021 will meet with opposition, I am not sure it has not already, from another conservative group—the U.S. Chamber of Commerce. Ironically enough, this organization was founded in 1912 by one of America's great liberals, Theodore Roosevelt. Its first president, H. A. Wheeler said:

"The chamber will not, I trust, ever in its history become a lobbying organization.

All this early promise has been forgotten. Even before, but especially since, World War II, the chamber has suffered from a hardening of its attitude toward measures of social progress. It has lobbied openly against them whenever Federal aid was involved. In 1945 the chamber published one of the most expert economic analyses, a pamphlet called "Education, an Investment in People."

Mr. Chairman, it proves conclusively that a State's productivity and average income are directly related to the amount which the States spend per capita on education. It was one of the best arguments from a material point of view for Federal aid to education. And yet it merely reinforced the ingrained conviction of the chamber

that each State school system must be supported by funds raised exclusively within the State. So when the lobbyist of the chamber appears before you, I hope you will remind him of this important pamphlet and ask him why it isn't a good idea to pull up the economic productivity of our less prosperous States by increasing their school budgets through Federal assistance.

I, for one, cannot believe that the negative attitude expressed by the chamber represents the opinion of enlightened businessmen. I am convinced that they are concerned, not only as parents, but as employers, in the education of the future citizens of our country. The chamber of commerce should get in step with the many individual industrialists and large corporations that are giving huge sums to higher education. This indicates that education as an investment in people is also recognized by our industrial leaders as an investment in business.

Concerning the amendments to Public Law 815 and 874 I should like to suggest that the reduction in Federal aid to impacted areas be made less drastic. There is good reason to reduce the sums now allotted to the communities that benefit by them, provided that S. 1021 is passed by the Congress. But a 50-percent reduction for the first year will create hardships in many of these communities where large tracts of Federal property are tax exempt. If the reductions were more gradual, say 25 percent the first year, it would facilitate the adjustment to smaller amounts which these communities would receive under S. 1021.

In conclusion I wish to say, gentlemen, that the future welfare of our Nation lies in your hands. We cannot afford to put off Federal aid to education any longer. A new world civilization is in the making in this revolutionary era. The question is who will determine its character—the free nations or the Communists. The cold war has been shifted by the astute leaders of the Kremlin from a competition in physical strength to a competition in brains. It will be a long drawn out struggle fought in the classrooms of the United States and Russia. I have no doubt about the outcome if the American people understand the dangerous world in which they live and begin to take education more seriously than they have in the past years. Passage of S. 1021 will come as an electrifying message to our people that the Congress has taken the plight of our public schools seriously. Money alone will assuredly not answer all of our educational problems. But none of them can be solved without it. Thus the critical nature of the need to improve our schools makes Federal aid to the States imperative.

Thank you, Mr. Chairman.

Senator MORSE. Mrs. Meyer, I have questions on just two subject matters connected with your statement. I turn to that part of your statement in which you discuss Public Law 815 and Public Law 874.

Mrs. MEYER. Yes.

Senator MORSE. In the course of which you say:

There is good reason to reduce the sums not allotted to the communities that benefit by them, provided that S. 1021 is passed by the Congress.

I want to point out to you that there are two types of communities involved in the federally impacted areas. One is the community in which the area where the installation is located is generally owned by

the Federal Government and, therefore, all the Federal property in that area is tax exempt. We are hearing from such communities to the effect that their plight is as serious now as it was when the legislation was passed in the first place. We are told that if we reduce the Federal allotments we leave the school districts no income in lieu of taxes. We are reminded that the children are still there, and they need to be educated.

I am sure my colleagues are receiving the same protests that I am receiving; namely, that the proposal to reduce the allotments in the federally impacted areas does not take into account differences between types of federally impacted areas.

Now, when we take a large city where, the Federal Government simply has an installation, say, of a shipyard or a defense plant, there is still a large base for tax collection. A school district in such an area receives the benefit of the wages and the income from the personnel employed by the Federal Government.

Possibly in this latter case, a justification can be shown for some reduction in the amount of Federal aid.

But in the first type of case, the contention is that no justification can be shown. Do you think that commonsense—

Mrs. MEYER. I agree with you absolutely, Mr. Chairman. I have not been traveling around the country as I used to, and I had forgotten the areas you brought up where the Federal Government really is creating the whole situation, say, in some of the big industries or some of the big camps, I think you are absolutely right.

I think there the assistance, the Federal assistance, has to go on. I was thinking too much of the environment here where there are other sources of taxes, such as you point out.

So I do hope that those areas will be allowed to receive their full allotment. In fact, I am very proud of the fact, Mr. Chairman, and you may remember, that I helped very much in passing those two bills.

Senator MORSE. You did. You have helped us by pointing this problem up this morning, and I thought the record only should show—

Mrs. MEYER. I am glad you corrected it.

Senator MORSE (continuing). I am calling this problem to the attention of Secretary Ribicoff and suggesting that, as manager of the bill, he advise me as to whether or not the administration would be willing to send up a supplementary recommendation to take into account these two types of federally impacted areas.

Mrs. MEYER. Yes; I think it absolutely essential.

Senator MORSE. My other question, before I call on my colleagues for questions, concerns foreign aid programs. I am sure you are aware, Mrs. Meyer, that some of our foreign aid money goes to the assistance of some countries, and this is particularly true in Latin America, in which the school system is predominately under the control of religious denominations.

Do you think that there is any problem at all in connection with the appropriation of foreign aid money levied upon the American taxpayer going to a foreign country for use in its educational system or in these educational processes, when it is known in advance that some of that money is going to support church schools?



Mrs. MEYER. With the problem of foreign aid, Mr. Chairman, you open up another very broad field which is extremely complicated.

I am simply interested in supporting and improving our public schools, and preventing any tax money that should go to our public schools from going to the private schools of the country, because I know it would undermine our school system, and our school system, Mr. Chairman, is of much greater importance now that we have this disturbed community life.

I became a passionate defender of every cent for the public schools during World War II, Mr. Chairman, when I moved from city to city, and in some cities where the public school was strong there was order, even though there was large immigration of war workers.

Where the public school system was weak, the delinquency, whether of young or old, was appalling, and I did all that work to get public schools for the towns and cities that needed them.

That is why I am such an ardent defender of public schools and wish to keep my discussion entirely to the question of our own public school system.

Senator MORSE. I appreciate your position. As chairman, I think I have a duty to make clear for the record that we do have this dual problem to face. We are concerned about what we should do in support of our own schools at home, and we should call attention to the fact that some of our money for aid abroad, does go, in effect, to private schools.

Mrs. MEYER. Well, some of our money is going to support dictators in some of these States. You don't want a dictatorship at home because we happen to be supporting it abroad, do you, Mr. Chairman?

[Laughter.]

Senator MORSE. Not at all. You know, Mrs. Meyer, that I have been in the political doghouse for a long time because I have been consistently opposed to supporting dictators abroad.

Mrs. MEYER. That is correct. We do lots of queer things abroad.

Senator MORSE. I thank you for the opportunity to make that for the record again. [Laughter.]

I am very glad that you have spoken out this morning, in your usual unequivocal way, for support of the public school bill, and urging that there not be commingled with it other issues which may very well endanger the public school bill.

Sometimes I wonder to what extent a Senator presiding over a meeting really has any right to give advice. This is necessarily an individual judgment. In exercising that judgment in a few sentences, using your testimony this morning as the springboard for the advice, I shall speak to the hierarchy of the Catholic Church who will be testifying before us later. I think the leadership of that denomination has a great opportunity in their testimony to say, in effect, to the American people: "We are in no way changing our convictions or our desires about this matter, but we are going to yield to what we believe," as you point out in your testimony, Mrs. Meyer, "is the great need in this country, and that is that we make progress in strengthening our educational system. We are willing to agree that we should start with the public school system and, therefore, we are going to urge the passage of this public school law without any amendments added to it which are likely to endanger the passage of any legislation at all."

"We also reserve our right to carry out what we think is our duty, to press the Congress of the United States for the passage of a separate and independent bill which raises the question as to whether or not loans which yield sufficient interest to pay for the cost of the use of money are constitutional. With the passage of that legislation, if we can obtain its passage, we will then seek to carry a case through the courts of this country, to the Supreme Court, to have the matter determined once and for all."

I always think it is a little presumptuous for a Senator to be giving gratuitous advice, but at the risk of receiving that criticism, I offer this advice to the Catholic hierarchy this morning.

Mrs. MEYER. I think that is orderly procedure.

Senator MORSE. I think we should not encumber this bill with amendment involving loans to private schools. Nor should it be encumbered with any amendment involving the so-called civil rights issue, or any amendment, no matter what motivations of the authors of the amendment may be, and they will be mixed motivations, you can be sure of that, harmful to the bill. I think that we should do nothing to endanger the passage of the public school bill.

That is all I am going to say by way of preachment, may I add, but I thought it was due to your testimony to make those statements.

Mrs. MEYER. That is why I pointed out there is this ambivalence in Archbishop Alter's testimony that makes it seem as if the hierarchy were going to ask for a separate bill, and I think that would be orderly procedure, and it would be good to have the matter settled.

Senator MORSE. Senator Goldwater?

Mrs. MEYER. Thank you, Mr. Chairman.

Senator GOLDWATER. No questions.

Senator MORSE. Senator Dirksen?

Senator DIRKSEN. No questions.

Mrs. MEYER. Thank you, sir. You are always very kind.

Senator MORSE. It is my pleasure to call on Senator Goldwater, of Arizona, as our next witness.

Senator Goldwater, a member of our committee, is the witness before the subcommittee. I want him to know that I consider it to be a distinct privilege to preside over the subcommittee at the time he testifies.

#### **STATEMENT OF HON. BARRY GOLDWATER, U.S. SENATOR FROM THE STATE OF ARIZONA**

Senator GOLDWATER. Thank you, Mr. Chairman.

Mr. Chairman and members of the subcommittee, I wish to thank you for this opportunity to present my views on the proposed legislation now pending before you. It is my strong belief that most of these proposals, including the bill, S. 1021, sponsored by the administration, are both unnecessary and unsound. I am convinced that they represent another long step in the direction of reducing our State and local governments to mere subordinate, administrative divisions of the central government in Washington.

It is for that reason that I have introduced my own bill, S. 991. If a genuine problem of educational shortage really exists, which I do not believe, my proposal will provide the means to solve the problem far more effectively than any of the other measures now before this

subcommittee. But what is most important, it will leave the matter entirely in the hands of the States and local communities without an iota of intervention by the Federal Government.

I wish to make it clear that I do not believe that we have an educational problem which requires any form of Federal grant-in-aid program to the States. Even a casual glance at the significant statistical indicators serves to demonstrate that the States and the localities have done extremely and increasingly well during the past several years in meeting their educational needs, and that these needs themselves are growing at a much slower rate than during the past period.

#### I. ARE OUR SCHOOLS INADEQUATELY FINANCED?

Mr. Chairman, the answer to that question is "No." In the past 20 years, enrollment in educational institutions of all kinds and at all levels increased 57 percent while total educational expenditures increased 642 percent. Although prices more than doubled during this period, the increase in educational expenditures of 642 percent would still have been 257 percent if computed in dollars of constant purchasing power, as compared with the 57 percent increase in pupil enrollment, a ratio of almost 5 to 1.

If we look at the share of the national income being spent for education we find a similar upward trend. In 1890, 1.4 percent of the national income was spent on education. In 1913 it was 2.2 percent, in 1930, 3.7 percent, in 1950 4.0 percent, in 1956, 5.1 percent, in 1960, 6 percent. Thus the percentage of the national income going to education has multiplied more than four times since 1890 and increased 50 percent between 1950 and 1960. It is also not without significance, that, according to UNESCO figures, almost all other countries of the world allocate a smaller percentage of their national income to education, and that the Soviet Union, whose national income is far smaller than ours, spends no greater proportion of education than do we, erroneous assertions to the contrary notwithstanding.

Growth in our total educational expenditures has outdistanced the advance in both business profits and living standards. Thus between 1929 and 1958 expenditures for education grew 580 percent, corporate net profits 129 percent. As a percentage of national income, corporate profits dropped sharply from 9.4 percent to 5.2 percent while the percentage for educational expenditures rose from 3.7 percent to 6 percent for the same period.

When we turn to the public elementary and secondary schools, attendance at which has been declining in proportion to our population growth while college and private school attendance has been increasing, we find that the rate of expenditure has gone up more rapidly than the living standards of our people. Over the past 30 years, per capita expenditures for personal consumption have increased 57 percent while public school expenditures per pupil have risen 166 percent, both ratios being measured identically in constant dollars. And while this development was taking place public school expenditures were far outstripping public school enrollments in the rapidity of their increase. Thus, from 1900 to 1961, enrollment multiplied 2.4 times whereas school expenditures per pupil, on the average and in constant dollars, have doubled about every 20 years, and the

current school expenditures per pupil have multiplied 8.4 times in terms of the same constant dollar, an increase more than  $3\frac{1}{2}$  times as great as the increase in enrollment.

When we examine the population projections made by the Bureau of the Census, the evidence indicates that the peak of educational needs in terms of population growth has already been reached, and that this ratio will decline during the next decade. The school-age group (those between 5 and 17 years of age) increased 46 percent between 1950 and 1960. It is estimated that for the next 10-year period (1960-70), this rate of increase will be cut in half, shrinking to about 20 percent.

## II. HOW LARGE IS THE CLASSROOM SHORTAGE?

The size of the classroom shortage has been a major issue in the continuing debate on Federal aid-to-education. Figures on classroom shortages issued by the Office of Education show a shortage of 250,000 in 1950, 312,000 in 1953, 370,000 in 1954, 159,000 in 1956, 142,300 in 1957, 151,900 in 1958, 132,400 in the fall of 1959 and 142,100 in the fall of 1960. If we take these figures at face value, they indicate a reduction in the classroom shortage from 370,000 to 142,100 between 1954 and 1960 without the benefit of a Federal aid program.

There is, however, some doubt about the accuracy of classroom shortage figures. In March 1955 the Secretary of Health, Education, and Welfare testified before a congressional committee that a revision of estimates placed the expected shortage in 1959-60 at 176,000 instead of the 407,000 he had estimated a few months earlier. Actually the report issued in the fall of 1960, placed the figure at only 142,100. These estimates are usually based on statistics prepared by the school authorities in each State; there are no national standards, and many believe they reflect the subjective attitudes of the compilers rather than any actual classroom situation. For example, two neighboring States with roughly similar classroom situations, and great similarities in other important respects—Minnesota and Wisconsin—reported classroom shortages of 3,941 and 310 respectively. The disparity is so great as to raise serious doubts about the objectivity of many of these estimates.

At any rate, a comparison of the inventory contained in the long-range phase of the school facilities survey of 1954 with the fall 1959 survey shows that in the past 5 years enrollment increased 20 percent, number of classrooms 30 percent, and the number of pupils per classroom was reduced by  $2\frac{1}{2}$  from 30.6 to 28.1.

President Kennedy in his education message, asserted that classroom needs for the coming 10-year period between 1960 and 1970 will be 600,000. This averages out to 60,000 classrooms per year. However, figures released by the Office of Education disclose that between 1956 and 1961, a total of 349,300 classrooms were built for an annual average of 69,860, or about 10,000 per year more than the yearly average asked for by the President. Assuming these estimates to be reasonably accurate, it is as plain as a pikestaff that to take care of all estimated classroom needs for the next decade it will not be necessary to maintain even the annual volume of school construction that was completed in the average of the past 5 years by the States and localities acting without benefit of a Federal grant-in-aid program.

## III. HOW SERIOUS IS THE TEACHER SHORTAGE?

Here again we are confronted with highly suspect statistics. Thus, on August 30, 1959, the Office of Education reported a shortage of 195,000 qualified teachers. But in 1953, the Secretary of Health, Education, and Welfare had estimated that the teacher shortage would be 292,000 by the fall of 1960. These huge disparities between projected estimates and actual future developments are common in the discussions of the issue.

They indicate to me that much of the so-called data consists of poetry and propaganda rather than objective research. At any rate, even if we use these dubious statistics, they point only to the conclusion that the so-called need for Federal aid-to-education has been exaggerated by its proponents. As a matter of fact, the 1959 report on teacher shortages was so severely criticized that the Office of Education omitted a reference to the teacher shortage in its regular report in the fall of 1960.

Actually, the figures seem to indicate that education has made great strides in meeting its manpower needs. Over the past 30 years, the number of employees in all forms of public education, both lower and higher, increased 140 percent while employment in private industry rose by only 45 percent; but enrollment in public education rose at the same rate as the population of the United States as a whole—45 percent.

Our public schools have increased their teaching staffs proportionately faster than enrollment and the number of pupils per teacher has been consistently reduced. Since 1900, the number of public school pupils rose 140 percent, the number of teachers 250 percent, and the pupil teacher ratio was reduced by 11.2, from 35.6 pupils per teacher to 24.4 for 1960-61. Even if we take the figures for the last 7 years alone, the number of pupils increased 29 percent, the number of qualified teachers increased 40 percent and the pupil-teacher ratio declined by 2.4 pupils per teacher (from 28.4 to 26.).

At this point I cannot resist a further illustration or two of the unreliability of the figures emanating from some of the most respected proponents of Federal aid to education. Thus, in a release dated August 28, 1958, the Office of Education estimated the number of qualified teachers in 1958-59 at 1,334,800 and the shortage at 132,200. A year later, on August 30, 1959, it reported the number of qualified teachers in the same year (1958-59) to have been 1,400,700 or 65,900 higher than previously estimated. But strangely enough, instead of reducing the shortage correspondingly by 65,900, it increased it retroactively by 49,800—from 132,200 to 182,000. In the very same report (Aug. 30, 1959) in which it raised its estimate of qualified teachers for 1958-59 to 1,400,700 it estimated for the next year, 1959-60, a supply of 1,368,000 qualified teachers, a decline of 32,700. But in the December 1959, issue of its magazine *School Life* the Office of Education reported that the number of qualified teachers had risen during the same year (between 1958-59 and 1959-60) by 55,200. Thus one report suggest a decline of more than 32,000; another from the same source, an increase of more than 55,000.

When we come to the question of the future supply of teachers the outlook is highly favorable. If the percentage of college stu-

dents seeking a teaching career merely remains stable over the next decade, the number of newly graduated teachers will almost double. But pupil enrollment will be far less, for as I have pointed out it will be only about 20 percent as compared with 46 percent during the last decade.

Much has been said about the inadequate earnings of the teacher. But these judgments must remain subjective unless they are based on comparisons with earnings of other segments of our population. The figures show that during the past 30 years (1929-59), teachers' salaries have more than kept pace with the other working elements of our population. In that period, teachers' salaries rose by 106 percent as compared to 91 percent for all persons working for wages and salaries, and only 73 percent for Federal Government civilian employees. It should be emphasized also that a huge proportion of our public schoolteachers are women, and all the surveys on the subject have shown that women teachers average higher earnings than other women college graduates or professional workers.

#### IV. CAN STATE AND LOCAL GOVERNMENTS CONTINUE TO FINANCE THE SCHOOLS?

In December 1959, the Department of Health, Education, and Welfare conducted a telegraphic canvass among chief State school officers, 45 of whom replied. Fifteen of the States reported having districts which, although needing additional classrooms, had reached their borrowing limits and had no access to other funds. There were 237 such districts, most of them small, out of a national total of 40,000—a showing that only one-half of 1 percent of all the school districts in the Nation legally lacked financial means to build needed schools. Despite the heavy burden of Federal taxation, the States and local communities, as I have shown, have done magnificently in meeting their own school needs. The sales of State and local bonds have been at a high level for the past several years, and the overwhelming majority of them are being approved by the votes of the citizens in the States and localities. If the heavy yoke of Federal taxation were eased, there can be no doubt that the States and local community would not only be able, but would be most willing to increase both their taxes and expenditures for all public services including education.

To me it is plain that, judged by any of the relevant criteria which I have set forth above, there is no crisis in education and no justification for extending the activities of the Central Government into that area as the administration's bill, S. 1021, would do. But even apart from the lack of need for legislation of this type, the proposed measure is self-contradictory in important respects, inequitable in its allocation of benefits, and in a number of instances fails to achieve the President's stated objective of giving the greatest aid to those who need it most.

The high-income States which will pay the largest shares of the cost of the program and receive the smallest allocations, which in many instances are considerably smaller than the amounts they pay out, are precisely the States in which most of the increase in school enrollment has taken place. The low-income States which will contribute least to financing the program and receive far larger sums in their alloca-



tions have had the smallest growth in pupil enrollment. Thus four-fifths of the increase in school enrollment between 1955 and 1970 has and will occur in States with above-average per capita income; but only 6 percent of the enrollment increase will be in the 12 lowest income States.

I have time to illustrate only a few of these inequities. According to the Office of Education's 1960 fall survey, New York State had a net schoolroom need of about 10,200. Texas needed a net of 809. During the 3-year program under the bill, New York State, although paying far more than Texas in financing the program, will receive considerably less in allocation although its classroom needs are 12 times as great. Wyoming, according to this same survey, will have a net shortage of 22 classrooms but will receive the relatively enormous allocation of almost \$5½ million. And finally, Indiana which according to the official Office of Education surveys, needed 1,505 classrooms in 1959 and 1,321 in 1960 and which more than kept abreast by scheduling the completion of 2,000 classrooms in 1959-60 and 2,152 more in 1960-61 will get \$59 million under the administration bill, although it actually has more classrooms than the surveys indicate it needs. I might add that the average teacher salary in Indiana is \$370 above the national average.

Mr. Chairman, the entire operation of the bill's allocation formula is unfair. It appears to me to have been concocted simply with an eye to the unjust results it actually would achieve, and with little or no concern for equity and fairness. It is based on the formula of income per public school pupil despite the fact that in a number of States a large percentage of the pupils attend private schools. The result is to discriminate heavily against those States in the allocation of allotments. Would it not be both consistent and equitable in determining a State's income per public school pupil to exclude from the computation the incomes of those whose children attend private schools and are therefore not included in the number of pupils used in the calculation? Doesn't this inconsistency reveal that those who drafted the program started with a desired result in mind and constructed the formula to achieve that result, regardless of consistency or justice?

I would like to add this further comment. The loud fanfares which have accompanied the administration's bill are quite misleading. Many have been led to believe that the bill will add substantially to our educational resources. This is utterly inaccurate. The total amount of aid for public schools which it would provide is about 4 percent of what the States and localities will themselves spend on education during the same period, even if they do not increase their own efforts by a single penny. And when we compare this additional 4 percent with the 16 percent by which the States and localities have during the past 5 years exceeded the rate of construction of classrooms asked for by the President for the next 10 years, it becomes apparent that the administration bill will add little to improving our school facilities. But there is no doubt that it will do much to further impair the strength of our constitutional State-Federal system.

Mr. Chairman, those who speak for the administration in behalf of this bill are equally self-contradictory in its support. Thus, during my interrogation of Secretary Ribicoff when he appeared before



the Senate subcommittee the other day, he admitted that the States and localities had made enormous expenditures for education during the past 10 years. But he insisted that that was precisely what caused the problem requiring Federal educational grants to the States for solution, and indicated that the States and localities couldn't be expected to continue to maintain such efforts. He said, and I quote:

Now you have had the fantastic commitments by the States and the local communities in their State and local debt requirements, their expenditures and the increase of taxes. I think that is the reason why we are here now, because of that large increase in the past decade.

He referred to this increase as "indigestible economically" by many of the localities.

But the administration's bill specifically provides that as a condition of receiving its benefits in full, the States must maintain, at the very least, their present level of school expenditures, and as I read the bill, they are actually required to increase these expenditures.

It necessarily follows therefore that Secretary Ribicoff's implication that the bill would to some degree relieve the States of the need for continuing to make the enormous educational efforts of the past few years is quite inaccurate. To the contrary, it will add to those burdens, if they are to secure the full benefits the bill provides.

Again, I asked Secretary Ribicoff the following question:

Now, Mr. Secretary, if all the States and local communities were able to finance their own educational development, in other words if the problem were not a financial one, but rather an unwillingness on their part to expand or improve their education facilities to the degree you regard as necessary, would you still favor a program of Federal aid to education?

The Secretary replied, and I quote:

Personally, if I thought that every community and every State could do their own, I would not.

Mr. Chairman, I shall take Secretary Ribicoff at his word and describe to you a program which will make available to every community in the United States sufficient funds to enable each of them, if their citizens so desire, to meet all of their school needs even as determined on the basis of the Secretary's own estimates. That program is embodied in title II of my bill, S. 991. Its enactment would make all the alternative plans for Federal aid to education which are under serious consideration by this committee irrelevant and unnecessary.

In spite of the tremendous job which the States and local communities have done during the past 15 years to overcome the backlog of school facilities needed in some areas, a backlog brought on by the depression, World War II, Korea, the proponents of direct Federal aid to education are nevertheless absolutely insistent that the only way to reduce the backlog is by a massive infusion of Federal grants into the States. In recent years, these same proponents have added to their propaganda the claim that teachers are not paid enough by the local school districts and therefore, that it is the responsibility of the Federal Government to correct that situation as well.

It is interesting and significant that the demands for Federal aid to education have grown louder and more insistent as the need for expanding our school facilities diminishes. It is fully apparent that many of those promoting the idea of Federal aid to education are

interested only in the element of centralized control and, consequently, refuse to recognize that the States and local communities have been rapidly solving the backlog problem. They have seen their "crisis" selling point melt away in the face of determined local responsibility and are attempting to cover it up by adding new items to their list of needs and more power to their propaganda efforts. The present offensive for Federal aid to and control of the Nation's education is the heaviest ever mounted and it must be met with a courageously sound proposal incorporating the principles of individual freedom and personal responsibility.

I believe that the alleged evil plight of our schools has been grossly exaggerated and that the magnificent efforts of our State and local governments to find the money to meet school needs has been largely and purposely ignored.

These efforts represented the quiet response of millions of forgotten Americans to the educational problems arising in their communities. The job was done without fanfare by the people who meet their responsibilities on a day-to-day basis without the benefit of prodding by nationwide pressure group organizations. It represents a monument to the efforts of a free people, working with initiative and enterprise in their own communities to meet the problems of those communities as they arose. This is where the big job of meeting the Nation's educational problems has been accomplished up until now and this is where the job, rightfully, should be finished.

My proposal will provide the means for solving additional school problems, if they really exist, but it will leave the determination of this question where it properly belongs—with the State and local communities and not with the Federal Government. The basic problem, if there is one, is financial. If State and local governments in some parts of the country are unable to keep pace with their school needs, it is because the Federal taxing power has preempted State and local sources of revenue. Hence, the proper approach is to compel the Federal Government to restore to the States and localities, at least a portion of the tax resources which it has taken away. This is precisely what my measure will do.

The proposal is a simple one. Every homeowner, every owner of real estate, in the United States pays a real property tax to this local community government. In most cases, a substantial part of this tax is used to meet the primary and secondary school needs of the community whether for new construction or for maintenance, teachers' salaries or other past or current school costs. It would merely provide that every taxpayer who pays a school tax on his real property or as a part of his real estate tax shall, after having calculated the amount of Federal income tax which he must pay Uncle Sam, be permitted to subtract from the Federal income tax which he owes the full amount of such school property tax, or such proportion of it as will result in a total additional tax benefit to these taxpayers of between \$3 and \$4 billion.

Under existing Federal income tax law, State and local school taxes are deductible from gross income but the amount actually saved by the taxpayer depends on his Federal income tax bracket. Thus, for example, a taxpayer who has paid \$200 in school taxes as part of the local real property tax on his home, and is in the 20-percent Federal

income tax bracket, realizes a saving of \$40. My proposal would retain this present practice, but in addition would permit him to take a \$100 credit against what he owed Uncle Sam, that is, against his net Federal income tax.

Hence, instead of a savings of \$40, the homeowner, under my proposal, would save \$140 of the \$200 he paid in school taxes on his home. Of course, if the taxpayer's school tax were less than \$100, he would be permitted to save in toto no more than the actual amount of his school tax.

This tax credit would be available to real property-school taxpayers whether they itemize their Federal income tax returns or take the standard deduction.

The concrete advantages of this approach are overwhelming:

1. The tax benefits provided would go directly to approximately 40 million taxpayers, including about 34 million homeowners, who with their families constitute almost 90 percent of our population and who, in large part, are the forgotten Americans for whom, I feel, I am speaking today.

2. With the Federal Government completely excluded from the program, there would be no danger of Federal control over education. Depending on State law, each community itself, or the State, would be the final judge of how much more it would like to spend on its educational needs than it is currently spending.

3. The funds made available to the taxpayers are greater than the sums contemplated under any of the other Federal aid to education measures which are seriously being considered; greater even than the sums recently recommended by President Kennedy's task force headed by President Hovde of Purdue University.

4. Because of the complete exclusion of the Federal Government, there would be no expanded bureaucracy, no Federal administrative costs, and every dollar of tax money thus made available would purchase a full dollar's worth of school aid if the community decided to expand its expenditures for education.

5. Inasmuch as the tax resources of every State and locality would be substantially increased under this proposal, each would have ample funds to provide for its own school needs as it chooses, for none know better what these needs are than the citizens of the States and localities themselves.

6. The so-called richer States would not be required to help finance the school needs of the allegedly poorer States, for under my proposal every State would have sufficient funds to meet its school needs out of its own resources. Rich State A would not be required to pay to the Federal Government in taxes twice or three times as much as it gets back in Federal school aid while poor State B was receiving back in Federal aid two or three times the amount of tax money it paid to the Federal Government as its share of financing the Federal school aid program.

7. Under any of the other proposed Federal school aid measures, those States which have fully met their school needs would not, if given a free choice, expand their school facilities during the next few years, would nevertheless be compelled to pay their share in Federal taxes to finance the program. The only way these States could recover any of the money thus extracted from them under these various

proposals would be to accept the Federal grants and use them to expand their school facilities. The result would be the highly uneconomic and wasteful extension of school facilities in many areas where such extension is unnecessary and where other more urgent needs exist and must perforce remain unsatisfied. Under my proposal, the use made of their money is not dictated to the taxpayer by the bureaucrats in Washington—it is determined by the taxpayers themselves, that is, by the parent, the citizen, the local school board, and the community, or the State.

8. Any objection to my proposal based on the assertion that it would bite into the Federal Treasury is equally applicable to any of the other measures presently under consideration. I believe that mine would lead to a good look at the Federal budget and the discovery of many items of less importance, or even of no importance, which could be readily eliminated with no ill effects on the public welfare.

9. If unemployment does not decrease and business continues to falter, my proposal will provide the necessary tax relief which some of the proponents of expanded Federal aid programs assert to be necessary to stimulate the economy.

10. The preemption of State and local tax resources by the Federal Government would be diminished, and thus an important step would be taken in contracting big central government and strengthening State and local government.

I shall not at this time discuss the two other proposals in my bill—one dealing with income tax deductions for parents of college students; the other a measure designed to improve the quality of our pre-college education on a purely voluntary and inspirational basis. I hope to have the opportunity to deal with them at the appropriate time.

Mr. Chairman, I want to close this presentation with a few comments about the dangers of Federal control over public education which, in my opinion, are present in all of the proposals for direct Federal grants in this traditionally, and I might add, constitutionally State and local area of public activity.

As an example, I point to the most recent education law enacted by the Congress, the National Defense Education Act, Public Law 85-864. Let me call your attention to some of the controls it contains:

1. With respect to the payment of Federal capital contributions, the Commissioner of the Office of Education of HEW sets the date for filing the application by the educational institution. He may reallocate excess amounts to other States, and he determines the manner in which the installments of Federal contributions will be made.

2. Participating institutions must make an agreement with the Commissioner providing for certain conditions which must be met.

3. Loans made by an institution to a student are subject to such conditions, limitations and requirements as the Commissioner may prescribe; there are eight exceptions which the institution must abide by.

4. Each State must submit a detailed plan to the Commissioner in order to receive payments.

5. Loans made to nonprofit private schools must meet four conditions.

6. The awarding of fellowships depends on the making of certain findings by the Commissioner.

7. The right of a fellowship student to continue to receive payments is dependent upon a finding by the Commissioner that the student is making satisfactory progress in, and devoting full time to studies and research.

8. In order to be eligible for participation in the fellowship program, again the State must submit a detailed plan to the Commissioner.

9. Payment to the States under the vocational education program of the act are conditioned on the State meeting certain requirements.

10. For vocational education assistance a State plan must be submitted.

11. Any person receiving funds under the act must take a loyalty oath.

12. The State plans which are a condition to receiving benefits under the act must contain certain specified provisions.

Now, I agree that many, if not all, of these controls are necessary. After all, the Federal Government, when it spends huge sums of the taxpayers' money, must attach conditions and controls to see that the money is spent both properly and in accordance with the requirements of the law. But they are controls nevertheless and they are inescapable when the Federal Government participates in any field of activity by spending Federal funds.

But these Federal controls, necessary as they may be, inevitably lead to further Federal controls, which despite all pious protestations to the contrary, have a direct impact on the substantive content of these programs, an impact which may be directly contrary to the wishes of the beneficiaries.

To illustrate I would like to refer to the experience of Prof. Claude J. Bartlett, assistant professor of psychology at George Peabody College for Teachers, Nashville, Tenn., in which he describes the fate of two Guidance and Counseling Institutes set up under title V of the National Defense Education Act. Professor Bartlett participated in both and was the director of one.

Professor Bartlett points out the following Federal controls and their consequences:

1. In one Institute, the standards of admission for students were lowered as a result of pressure from the Federal Government. The result was the acceptance of many persons who were of questionable ability.

2. Based on the experiences in its first institute, changes in the operations of the second institute were deemed desirable. Nevertheless the Office of Education refused to permit changes in the plan of operation even though the changes did not affect the cost of the institute as specified in the contract. Thus, the Federal Government dictated curriculum and administration of the institute as well as financial arrangements.

3. When the contract setting up the institute was signed, the director of the college's child study center was named acting director of the institute. When the college sought to substitute a permanent director to permit the acting director to return to his regular duties elsewhere, the Federal Government refused to allow the change in directorship, thus interfering with the operation of the college.

4. The Office of Education insisted that all of the students of the second institute be recruited before authorization for establishing it had even been completed.

As a result of these difficulties, the college chose to cancel the contract for the institute rather than submit to bureaucratic whims emanating from Washington.

But, Mr. Chairman, the most significant element of control in the administration and like bills is the destruction of freedom of choice. Unlike my proposal which preserves this freedom for the citizens in each State and locality, these bills give them no choice at all. They must pay in taxes for public services, but their choice of services is limited to education. They cannot decide to pave their streets, improve their fire or police departments, expand their medical facilities, if this is what they believe their State or locality needs to do most urgently. Their choice, if such it can be called, is—education or nothing—and within these limits, whatever they decide they still must pay.

I might say, Mr. Chairman, since preparing these remarks, the problem has come before this committee of the parochial schools and the private schools; also the problem has come before it of what will be done about grants-in-aid to schools that have not met with the courts' order of integration.

I might say, Mr. Chairman, that my bill would solve these problems because it would leave the determination of expenditure to the private citizen at the local level. Mr. Chairman, I know that we all would like to be able to think that these issues are not going to creep into Federal aid to education, but I cannot bring my moral senses around to a point where I can say that I can deny to a Negro who pays taxes, a return of these tax funds to help educate his children, or can I morally bring myself around to say to a Jew or to an Episcopalian or to a Catholic, that even though they pay taxes they are not going to participate in the return of these tax funds for the assistance in the operation of whatever schools they may run.

I wanted to bring this point out because if we are sincere in wanting to avoid the arguments that are bound to occur—and they will be unpleasant arguments, and I think will be very strongly argued in the committee and on the floor—that my approach offers a very simple and easy out to this problem and all of the other problems with which we are faced.

Mr. Chairman and members of the subcommittee, I thank you for allowing me to appear here. If you have any questions I will be happy to try to answer them.

Senator MORSE. Senator Goldwater, the subcommittee thanks you for appearing. I always find your testimony thought provoking and intellectually stimulating.

I am sure your arguments will be considered in great detail as we go into executive session on the bill. I shall postpone until that time any discussion.

Senator Yarborough?

Senator YARBOROUGH. Mr. Chairman, I have no questions. Since Senator Goldwater is one of the very active members of this subcommittee and, as the chairman has pointed out, will take an active part on the bill, there will be adequate time in the subcommittee and the full

committee to discuss these conflicting views. I have no questions, Senator Goldwater.

Senator MORSE. Senator Dirksen?

Senator DIRKSEN. Senator Goldwater, I would like to have you elaborate a little on your observation of the integration and this segregation question in the light of the Supreme Court decision in the *Brown* case in 1954, in which it said unequivocally that there must be integration with all moderate or reasonable speed.

How can the Congress, consistently, appropriate funds for classrooms and yet deny the use of those facilities to somebody who, by custom or practice or State law, is prevented from using those facilities? How do you put that together?

Senator GOLDWATER. Well, Senator Dirksen, I will try to put it together. First of all, I want to make my position clear. I do not look upon the Supreme Court decisions as the law of the land. I look upon the Constitution and the laws that the Congress pass as the laws of the land. I believe that the matter of integration under the 10th amendment is one that should be left with the States, so I would completely overlook the Court order, and look at it only from a moral sense, that if a Negro pays taxes, and many, many of them do, how can the Congress deny a Negro the participation in these Federal grants-in-aid when the moneys come partly out of his pocket? I just cannot bring myself to a point in morality where it is right to do so.

I do not think it is going to be a question of constitutional law or a Supreme Court decision. I think we are going to have to make up our minds on whether it is morally right or wrong; and I think it is morally wrong to deny to any segment of our population Federal grants-in-aid when they are the source of the funds that will comprise the Federal grants-in-aid.

Senator DIRKSEN. But the Constitution means what the Supreme Court says it means. That is the only tribunal for interpreting the words that were set down on paper. Those words are not self-executing, they are not self-enforcing. Finally, in the face of resistance they have to be defined, and so the Constitution, perforce, means what the men on the Supreme Court say it means, and when they say there must be integration with all due speed in order to provide full equality under the law and equal protection of the law, I do not see, for the life of me, how you can permit the construction of classrooms or even to pay their teachers, and yet deny that segment of people the advantage of public schools, and that is where the emphasis must necessarily be for our purpose.

Senator GOLDWATER. Well, if I accepted your thesis, the argument would even be stronger to the end that you cannot deny these grants to any segment of our population.

If I agree with your interpretation of the courts and their relationship to the Constitution, you would have a double-barreled argument. You would not only have the barrel that is fired by the Supreme Court decision, but you would have what to me is an equally compelling barrel, that of morality—what is right or what is wrong.

So I cannot, for the life of me, see how the Congress can pass any legislation in this field that denies Federal grants-in-aid to Negroes or to members of any religion just because they are Negroes or the particular religion operates a parochial school or, I might say, private schools, where the private school again pays taxes.



Senator MORSE. Senator Dirksen, may I interrupt on a procedural matter for just a moment. I would like to have the attention of the Senators who are in the room waiting to testify. I have been in your position so many times that I think perhaps you will appreciate the announcement I would like to make now so you will not have to wait a long time in the room to testify. I refer to Senator Cooper and Senator Gruening and Senator Engle who have just come in.

Senator RANDOLPH. And Senator Metcalf.

Senator MORSE. And Senator Metcalf who will be the next witness. I will have the staff, if you would like to go back to your offices to proceed with other work, telephone in time for you to return to testify without our using up your time waiting in this committee room unless you want to wait to hear the testimony.

I am very sorry that we have this sort of a senatorial jam, may I say, rather than a logjam, on our agenda today. I sit here somewhat embarrassed, seeing all of you in our audience and knowing how important your time is.

If it meets with your pleasure, the Chair assures you that in this order, we will proceed, first with Senator Metcalf, because I invited him personally to come back last week at the conclusion of his testimony then to pursue a matter which he will be discussing this morning. Then I will have the staff notify Senator Cooper when we are about ready to hear him; next Senator Gruening, and finally Senator Engle, if that meets with your pleasure.

We are very happy to have you stay, of course, but I wanted to announce it for the convenience of your own schedules.

Senator DIRKSEN. Mr. Chairman, Mr. Freeman, as I understand it, is from Claremont College in California. I do not know whether he has a plane to make to return to California or not.

Senator MORSE. I certainly intend to hear Mr. Freeman today. Mr. Freeman is in the room. Is it important that you testify this morning, Mr. Freeman, or could you testify the first part of the afternoon?

Mr. FREEMAN. At your pleasure, Senator.

Senator MORSE. Just so I get you in today?

Mr. FREEMAN. Yes, sir.

Senator MORSE. Thank you very much.

Senator GRUENING. Mr. Chairman, could I ask a question? How long are you going to hold these hearings? Will they run into the afternoon while the Senate is in session?

Senator MORSE. Is the Senate in session today, Senator Dirksen?

Senator DIRKSEN. Yes.

Senator MORSE. We have had no objection raised yet, and I will seek to get permission to sit this afternoon and, if not, if I cannot, we will just postpone the hearing until tomorrow.

Senator DIRKSEN. I shall not object. There is only discussion this afternoon, no business.

Senator MORSE. We will proceed at 2 o'clock this afternoon. Senator Dirksen?

Senator DIRKSEN. Senator Goldwater, have you prepared, or have you seen a table showing the taxes to be paid by each State and the grants to be received under each of these major bills?

Senator GOLDWATER. Yes; I have such a tabulation. I think every Senator has.

Senator DIRKSEN. I wonder if you would not make those a part of your remarks, to make certain that they are incorporated in the hearings on these measures?

Senator GOLDWATER. I am sure the chairman will not object to making them a part of the record.

Senator MORSE. The material will be inserted in the record.<sup>1</sup>

Senator DIRKSEN. I am not going to ask you about Arizona because you get more money than you pay in.

Senator GOLDWATER. We do not want any money.

Senator DIRKSEN. They do not care what you want.

Senator GOLDWATER. I do not like that attitude, either. I might say, Senator Dirksen, I am glad you mentioned that, because we work here on a false premise about the ability of these States to pay for education when we consider only per capita income.

What we should have—and I have not been able to find it—it seems to me with all the billions we spend for data and research we should have it—is the total worth of the States, by States, because we pay these school taxes on property taxes, not on per capita income.

You will find that these lower incomes are not taxed for any purposes at all, other than where there might be a sales tax.

So if the staff can, some place, dig up from all the hodgepodge and piles of data that we pay for the worth of each State, I think we will see an entirely different picture.

It has been my contention right along that some States have not done what they can do in the field of properly assessing property and evaluating property for school purposes.

Senator DIRKSEN. You see, under the present bill, Arizona would receive \$6.3 million of grants and pay only \$3.8 million in taxes, so you are on the high side by 60 percent.

Under the McNamara bill, you would receive \$8.4 million, and you pay only \$5.3 million in taxes.

So you are still well up.

And under the Cooper bill, you would receive \$4.6 million in grants and pay only \$4 million in taxes.

So under those three bills, Arizona is the beneficiary of a little windfall.

Now, the reason I raise the question is this:

You take a look at my own State, and it is quite different. We would receive \$23.3 million in grants, and we would pay \$46.3 million in taxes. We would pay twice as much in taxes as we would receive under the administration bill.

We would receive under the McNamara bill \$35.1 million in grants; we would pay \$65.2 million; so we would be paying \$30 million more in taxes than we would receive.

Under the Cooper bill we would receive \$29.4 million, and pay \$49.3 million. So we would be paying \$20 million more.

Insofar as I have examined the list, it would appear that there are 32 States that will receive more than the taxes which they pay.

That would leave 18 States that pay more than they receive under the benefits of any of these bills.

---

<sup>1</sup> The tables to which reference was made were incorporated into the hearing record as part of the testimony presented on behalf of the U.S. Chamber of Commerce and are to be found on pp. 344–346.

Senator GOLDWATER. And you will find, Senator, if you will study this—and I know you have—that the States which are most in need of continued school expansion are the wealthy States.

The population drift is away from many of the low-income States. I wish we could get a figure of valuation and use it, instead of income, but this just points up my argument that many States do not need this; do not want it. Why should it be forced upon all of the States?

Let us, by example, backed by a scholarship bill that I have introduced that would require certain standards to be met, force these lower States which have not paid attention to their educational systems to improve themselves. Our last budget in my State contained \$51 million for education, and we raised moneys sufficient to have a \$12 million surplus last year.

Now, the State of Arizona is not the wealthiest State in the Union; in fact, it is 29th on the list. So I think your point just furthers my argument.

My bill is not Federal aid. This is merely keeping the money home where it can be spent at the local level. It does not travel to Washington and have a brokerage fee attached to it of about 50 percent and then travel back to Illinois or Arizona.

It stays home and the people can do with it what they want.

Senator DIRKSEN. If I can lapse into modern jargon, I gather that the burden, then, of your argument is substantially this:

No. 1, the classroom gap—that is a good word—the classroom gap is closing.

No. 2, the teacher gap is closing.

No. 3, the ratio gap of teacher to pupil is closing.

No. 4, the teachers' salary gap is closing.

No. 5, the real gap seems to be, according to you, the statistical gap.

Senator GOLDWATER. I think you have stated it much better than I did, and I took too long in stating it. I thank you for your usual ability to put things into computer form and grind out in one short card what has been said in a long hour.

Senator DIRKSEN. It is very helpful to the committee, and I thank you.

Senator GOLDWATER. You flatter me.

Senator MORSE. The Senator from West Virginia?

Senator RANDOLPH. Mr. Chairman, I commend our colleague, Senator Goldwater, for the statement he has given us in this very provocative material before us.

He is certainly an advocate of a viewpoint, and it is an important one.

I note, Senator Goldwater, that you say:

All the surveys on the subject have shown that women teachers average higher earnings than other women college graduates or professional workers.

I hope that you will not feel it inappropriate that that be documented.

Senator GOLDWATER. Oh, yes.

Senator RANDOLPH. The survey, or surveys, because the knowledge I have, or at least the information, does not bear out the statement, and perhaps I have not been properly informed.

Senator GOLDWATER. That was contained in the testimony before the committee the other day by the chamber of commerce. I will,

however, find out their sources so that we can have it from some more detailed source than just the chamber of commerce.

But it is evident that teachers' salaries have risen from 1929 to 1959 higher than, for instance, all persons working for wages and salaries, and people working for the Federal Government.

I do not sit here and try to say that they are high enough or too high or too low.

I think that is up to the judgment of each State.

Again, we pay comparatively high teachers' salaries in my State. I know some others that do not pay as high. But I would not want to tell somebody else what to do in their State.

Senator RANDOLPH. Senator Goldwater, then you have no knowledge of these surveys yourself. You are only quoting the United States Chamber of Commerce in this regard?

Senator GOLDWATER. In that one statement, yes, but on the others there are sources that we can make available to you.

Senator RANDOLPH. I am sure that you will provide that information.

Had I been at the committee table at the time the statement was made by the United States Chamber, I would have asked the precise question.

Senator GOLDWATER. Part of the statistics I offered relative to teachers' salaries, came from the National Education Association economic status of teachers in 1959 and 1960, and a survey of current business, July of 1960.

But we will chase down the source of that.

Senator MORSE. Senator, will you yield a moment?

Senator RANDOLPH. Yes, Mr. Chairman.

Senator MORSE. At the time the chamber of commerce witness gave this testimony, the chairman did ask him for further documentation of it.

Senator RANDOLPH. I am very sorry to have brought the matter up again.

Senator MORSE. No, I am glad you brought it up.

Senator GOLDWATER. I think it is very important that these things be documented.

Senator RANDOLPH. I was not at the table at that time.

Senator GOLDWATER. I am sure the chairman did ask that this be done, but on top of that we will get their source and submit it.

Senator RANDOLPH. Thank you, Senator Goldwater.

Also, I noted that you speak of a telegram which was sent in December 1959, from the Department of Health, Education, and Welfare to State school officers. Do you have a copy of that telegram, or is it available, or do you think it is important that we have it in the record?

Senator GOLDWATER. I am sure that we can get it. I do not have a copy of it, but my report quotes the Department of Health, Education, and Welfare as having conducted a telegraphic canvass, and if my own memory serves me right, I remember it, but we will certainly ask them to supply a copy of the telegram and any summations that they made from it.

Senator RANDOLPH. I can appreciate that, because I believe that, in essence, that telegram really indicated that there was a feeling

within the Department that many school districts within the country were actually on the ragged edge of bankruptcy, and I believe that that would be shown.

At least, I would like to have a copy of the telegram.

Senator GOLDWATER. The other day, when Secretary Ribicoff was here, I referred to these statistics which were first used or developed by a question asked by Senator Dirksen of Secretary Flemming in a White House Leaders' Conference last year, which I recall very well, in which the Secretary said there were 237 districts that had reached their bonded limit, out of some 42,000 school districts.

I asked Secretary Ribicoff if he would please update that, and if they have done it, I am sure that it will appear at the proper place in the record.

Senator MORSE. The record will show that the telegram and any supplementary material bearing thereon which will be subsequently submitted by Senator Goldwater will be placed in the record at the close of his testimony.

Senator RANDOLPH. Mr. Chairman, I believe that on this subject we perhaps will want to recall the testimony of Miss Root, from Pennsylvania, who said for the subcommittee's information that there were schoolteachers in that State who are in arrears in receiving payment of salaries 7, 8, and 9 months.

Am I correct, Mr. Chairman?

So even in a Commonwealth like Pennsylvania, a so-called rich State, as we think of rich States, with financial strength, there is this problem, at least in some school districts—I will not attempt to say how many—of maintaining their financial commitments.

Senator Goldberg—Goldwater—

Senator GOLDWATER. That is all right. We are the "gold dust" twins.

Senator RANDOLPH. I ask that that be cut from the record.

Senator GOLDWATER. I have nothing at all against being called "Goldberg." I have great respect for the gentleman you are confusing me with.

I only hope, when he is called "Goldwater," he has a similar feeling.

I can think of certain places where, if he were called "Goldwater," he would probably be thrown out of the meeting.

Senator RANDOLPH. Before you leave that, I have been called "Randolph Jennings" constantly. I can only say for a moment I had a lapse.

Senator GOLDWATER. It was Fayette County in Pennsylvania, and it is a very depressed area. I think you will find that the whole State of Michigan had some similar problems before the last election about paying their people.

I can recall a time during a depression in my own State when we paid the teachers in script, and I imagine many States went through that, but we went through it.

We did not come back to Washington and ask that they pay the teachers.

Senator RANDOLPH. Senator Goldwater, I turn to your testimony, and I think, at least from your standpoint, you make a very convincing argument against Federal aid. Yet, I find that you propose that a tax credit be given. That, at least if not direct, is an indirect aid from the Federal Government, is it not?

Senator GOLDWATER. No. I do not look on that as such, because, first of all, you are not supposed to have your property taken from you without the due processes of the law.

When property is taken from us in the form of taxes, it is taken under an amendment of the Constitution. But whenever the Federal Government does not have to take our property, I think it has a duty not to take our property. So this is not bringing money to Washington and then saying: "Here is a Federal grant in aid."

This is doing as we do in our whole tax structure. We allow deductions for moneys paid for these purposes.

I could go further, although we do not have time, to develop this same argument to help not only the aged in their medical care, but the people of all ages, by allowing more deductions at home, keeping this money from coming to Washington where it has to have a brokerage fee attached to it. You just cannot work it any other way.

I think, as I mentioned at one meeting here, New Jersey has found out it costs \$2.47 to get a Federal dollar back.

Senator RANDOLPH. One final question, Mr. Chairman.

In your discussion of controls, I wonder if you might agree with me that in the National Defense Education Act, these are really only directions rather than controls, because do they not go to serve specific programs rather than general controls?

Senator GOLDWATER. Well, I do not know. You can call them directions or standards or controls. Direction is control. Unless the States or the schools meet these requirements, they do not get the money; unless the students meet them, they do not get the money.

And I will say, as I have said in this statement:

You cannot write legislation without these controls, and I do not know that it has ever been tested in the courts, but I would judge that the Supreme Court would have to rule that we were wrong by not applying controls.

One classic example is the Federal highway program. I think every 5 miles or 10 miles you have to have a very expensive cloverleaf turnout.

Now, in my State, you ought to see these beautiful cloverleaf patterns out in the middle of the desert going no place, and they will never go any place because they are going out on to Indian land and into Mexico, if they go much farther.

This is the kind of Federal control that I think borders on stupidity, and the States would never allow that.

We could spend that million dollars in a lot of ways that would better our transportation system than having clover-leaf patterns for jackrabbits.

Senator RANDOLPH. I think there is a certain validity in what the Senator is saying here in reference to the highway picture.

I want to acknowledge it and agree with the observation.

I want to close by saying:

Do you believe that these controls are inescapable? I presume you feel that.

What about the land-grant college program or the aid to the impacted areas?

Senator GOLDWATER. If we could write legislation like the impacted areas bill, then I would say that you would have eliminated most of the controls.

And I think that these impacted area bills where you merely say we have  $x$  number of children, and it costs us so much per pupil per day; here is the bill, and Uncle Sam mails a check; it is for services performed; now that has worked well in the West.

It has worked very well under Public Law 874, to take care of our Indian children who are being educated in white schools.

But the only condition we have here is that the student actually attend in order that the school can get the money. But I do not think we can write an educational bill, such as we are talking about now, without having direct controls in it.

Senator RANDOLPH. Thank you, Mr. Chairman.

Thank you Senator Goldwater.

Senator YARBOROUGH. Mr. Chairman?

Senator MORSE. The Senator from Texas?

Senator YARBOROUGH. Senator Goldwater has pointed out this very unwise Federal provision requiring these turnouts in the sparsely settled areas in the West where they are not required.

Do you think that because of unwise administration we should abandon the Federal Highway Interstate System?

Senator GOLDWATER. I do not think we can under the Constitution. I think the commerce clause regulating and controlling commerce between the States requires that there be an Interstate Highway System.

But I think, as long as we have gotten on to highways, that the States could have had a stronger voice in determining how the money would be used in following generally the designs set forth by the Bureau of Public Roads.

We have many, many instances that we could cite; you can cite them in Texas. You have far more vacant land than we have. I guess you are still the biggest State in the Union that does not raise pineapples or have glaciers.

Senator YARBOROUGH. We raise pineapples.

Senator GOLDWATER. You do? I knew you would sooner or later.

Senator YARBOROUGH. May I ask one other question, Mr. Chairman, merely for clarification.

Senator Goldwater, in your statement there is this expression:

When we turn to public elementary and secondary schools, attendance at which has been declining in proportion to our population growth while college and private school attendance has been increasing \* \* \*

I merely ask a question there for clarification, if you did not intend by that sentence there to imply that attendance at private colleges was increasing faster than attendance at publicly supported colleges?

Senator GOLDWATER. Primary and secondary schools, that I was directing this at.

College—that is, all colleges—university and private school attendance has been increasing.

Senator YARBOROUGH. You did not mean private colleges; you meant all colleges?

Senator GOLDWATER. All colleges, yes; and private schools.

Senator YARBOROUGH. And actually it is a fact that publicly supported colleges, that the enrollments are going up faster than the total enrollment in privately supported colleges?

Senator GOLDWATER. That is true.



Senator YARBOROUGH. I just wanted to clarify that one point.

Senator GOLDWATER. I should have probably been a little more specific there.

Thank you for clarifying that.

Senator MORSE. Senator Yarborough, I think in view of the questions you have asked Senator Goldwater involving this matter of interference, the record ought to show the wording of section 103 of the administration bill.

I do not know how there could be clearer or stronger language to give assurance that there will not be Federal interference.

It reads:

In the administration of this title no department, agency, officer, or employee of the United States shall exercise any direction, supervision, or control over the policy, determination, personnel, curriculum, program, construction, or administration, or operation of any school or school system.

I submit this is as clear an expression of intent as I think the English language can express.

Senator Goldwater, I want to say that we, as usual, are greatly indebted to you for what I consider to be very provocative and stimulating testimony.

You have given us assurance once again that our executive sessions on this bill will be interesting seminars.

Senator DIRKSEN. Mr. Chairman?

Senator MORSE. The Senator from Illinois?

Senator DIRKSEN. I do not want to let that statement stand in your response to Senator Randolph with respect to whether or not there are controls in the act dealing with impacted areas.

Now, Graham Barden, formerly chairman of the House Committee on Education and Labor, in July of 1957, addressed himself at length and with some vigor to that question, and I have but a single quotation in looking up the whole speech now. But he said on that occasion:

You will hear it said there has not been any Federal control or interference through Public Law 815 of federally impacted areas. I tell you there have been some of the most horrible instances of interference and wrongdoing under that, that you can imagine, and I challenge anyone to deny that statement.

I have had occasion to look it up and to check it, and I wanted to be pretty sure that the record is such that it did not stand on the basis of your statement without seeing what the exact situation was.

Senator MORSE. I do not think there is any doubt about the fact that Congressman Barden said that, but I know of no documentation of the charge.

It is one thing to make a charge and it is another thing to offer proof.

I would be very much interested in having proof; not the charge.

Senator DIRKSEN. He has cited a good many examples in the speech that he made, and I think it would be wise, Mr. Chairman, under the circumstances, if we inserted the Barden speech at this point in the record.

Senator MORSE. It is so ordered.

We will insert the Barden speech in the record as soon as it is obtained.

(The speech referred to follows:)

SPEECH BY FORMER CONGRESSMAN BARDEN

\* \* \* \* \*

That is the picture, and you will hear it said there has not been any Federal control or interference through Public Law 815, the Federal impacted area bill. I tell you there has been some of the most horrible illustrations of interference and wrongdoing under that bill that you can imagine, and I challenge anyone to deny that statement.

It has not been 2 years since the U.S. Commissioner of Education flatly and determinedly, and I will almost say intentionally and willfully misinterpreted the language we had written into that law which was intended to take care of some military installations so they could move the children out if there were not enough to warrant the operation of a separate school. And what happened? He issued an order closing the Quantico High School of approximately 150 pupils, and he persisted in closing that school even though it would have required children to travel from 13 to 26 miles to schools that had no hope of having room for them for more than 1 year. I called him before the committee. He still persisted in interpreting the word "suitable" to mean adequate; and the entire committee just said, "You are wrong, and you know you are wrong." We had to pass a Federal law, and you gentlemen voted for it virtually unanimously, to make that Commissioner of Education do what? To follow the intention of Congress and drop that order he had issued to close the Quantico school. The Senate passed the bill, and the President signed it.

Now we find before us a bill with 10 or 15 pages of discretionary powers. You first say what the States must do; they must file their plans, and then from there on the Commissioner has the right to do this and the right to do that, and so it goes.

Going back to our Public Law 815, and being cautious about our experience with such legislation, let me tell you something else about that act. We passed Public Law 815 with the Bacon-Davis Act in it. The Bacon-Davis Act, properly administered, is a good piece of legislation. I have no complaint about it—properly administered. But I say to you it has been horribly administered.

The Department of Health, Education, and Welfare did just what it has the power to do, they delegated the handling of construction contracts to the Housing and Home Finance Administration; and what do you think they did? They wrote into the law two statutes that the Congress had not authorized, and they enforced them from 1950 until about 3 weeks ago, which caused school districts to pay hundreds of thousands of dollars more for schools than was otherwise necessary.

When I asked the Department of Labor: "Why did you do that?" they said: "We did not have anything to do with it. We just reported violations."

I said to HEW: "Why did you do that?"

They answered: "We did not have anything to do with it. We just authorized the Housing and Home Finance Agency to handle building contracts."

Then I went to Housing and Home Finance. They said: "Well, the Labor Department told us to do it." So they started me around the mulberry bush again. I said: "All three of you, come up here before the full committee." And they all appeared before the full committee, and the committee members know this is so. All three agencies tried to deny responsibility, but they did not deny that they had forced some contractors to pay penalties and increased the cost of the school buildings by hundreds of thousands of dollars; they did not deny a word of it. They wanted to deny responsibility. The HEW said, "It is not our responsibility because we designated Housing and Home Finance Agency to approve construction contracts." I asked the General Counsel of HEW: "Do you regard yourself as relieving yourself of all responsibility for the administration of a plan when you pass it on?" Frankly it is quite interesting to read the record of this hearing, and when read, it serves as a warning to Congress.

Then, what happened? All three of them got up and said, "So help us, we will never do that again. It was just an accident." My reply was that from 1950 to 1957 is a long time for an accident to last. Then they issued an order to stop quick, "We have been caught." The very next week a situation came up in reference to some college campus building and complaints were made to me again by contractors. I called up and the Department said, "Oh, we overlooked that. We are stopping that, too, this morning."

Senator MORSE. I also give instructions to counsel for the committee to read the speech and check the documentation contained therein.

Thank you very much, Senator Goldwater.

Senator GOLDWATER. Thank you, Senator Morse, and my colleagues.

Senator MORSE. Our next witness will be the Senator from Montana, Lee Metcalf.

Senator Metcalf has been before the subcommittee introducing witnesses from Montana. We are very anxious to have your testimony on the substance of the administration bill. You may proceed in your own way.

### **STATEMENT OF HON. LEE METCALF, U.S. SENATOR FROM THE STATE OF MONTANA**

Senator METCALF. Mr. Chairman, I am happy to be able to return to address myself to the two particular phases of the bill that I asked to have the privilege of discussing at greater length the other day.

However, as a preface to my discussion of a segregation type of an amendment and loans to private schools, I would like to tell the committee that I am here today as an advocate of Federal aid to education on the basis of a Federal responsibility for education.

I believe in governmental responsibility for financing education at all levels of government—local, State and National.

I feel that we should have further national assistance for education for many of the reasons that have already been gone into.

And at the same time I am here as an advocate of local control of education.

I believe our 40-some thousand local school districts are the strength of our educational system. They are unique in the United States, unique in any educational system in the world, and they give the variety and the flexibility that comes back to help us build stronger men and women and better citizens in America.

Now, may I address myself to the last statement of the Senator from Illinois, when Senator Dirksen reminded me of a statement that was made by my dear and good friend and former chairman, when I was a member of the House, Mr. Graham Barden.

As the Senator from Illinois knows, I was the author of the principal education bill in the House, and so Mr. Barden and I differed many, many times on education.

Mr. Barden, as chairman of the committee, repeatedly made the statement that the Senator from Illinois attributed to him, and at the same I repeatedly challenged witness after witness that came before the House Committee on Education and Labor to give me a single specific example of Federal control of education.

Now, Mr. Barden cites Federal controls, and there are Federal controls in the Impacted Area Act, in the National Defense Educational Act, in the Morrill Act, and many other acts.

My point is that Federal controls such as the Davis-Bacon Act, these other things are not control of education. They are not control of curriculum. They are not control of teachers. They are not control over the minds and the thoughts of the boys and girls. And that is what we want to avoid. I believe we should have Federal controls.

We should have Federal controls on our highway program to see that the money is properly spent.

We should have a Davis-Bacon Act in a school construction program.

But we should leave to that local district the power and the authority to determine the textbooks, what the curriculum and what teacher is going to teach, and I think that explains the difference between the statement that Mr. Barden made and the statement that I have repeatedly made as a member of the House Committee on Education and Labor, where I have never been able to have any witness come in and supply for the record a single detrimental part of Federal control of education.

I think there is a good deal of difference between the approach that Mr. Barden was making and the approach that I was making.

Now, today, Mr. Chairman, I would like to address myself to two very important phases of this bill.

First is the proposal that there be an amendment providing that there shall be no Federal funds contributed to segregated schools.

I agree with the colloquy that has gone on here, especially from the Senator from Illinois, that the 14th amendment is what the Supreme Court says it is.

I believe that the Supreme Court was correct in its interpretation of the 14th amendment.

Now, back in 1890, when the second Morrill Act was passed, there was a provision in that act that provided that no funds from the Federal Government for land-grant colleges would go to colleges where there was discrimination as a result of color.

But when they went on and provided in advance of *Plessey v. Ferguson* a provision for separate, but equal, facilities and provided that that part of the act would not be violated if there was a provision for separate, but equal, colleges, a colored and a white agricultural college.

In *Plessey v. Ferguson* one of the bases for that decision was previous congressional declaration that separate, but equal, doctrine in the second Morrill Act was compliance with the Constitution and compliance with equality. I point that out because I believe that it points up the danger of writing into this legislation these special things to take care of a special local and sometimes temporary situation.

Now, the interpretation of the Constitution, as interpreted by the 14th amendment as interpreted by the Supreme Court, is an integral part of this act, just as it is a part of every other act of Congress.

We cannot pass any legislation that is not subject to the 14th amendment and subject to that interpretation of the Constitution.

Therefore, we can no more aid this legislation by putting in a Powell type of amendment than we can aid it by saying that there shall not be treason committed on any of the school properties or that murder shall not be committed in any of the school buildings that are constructed by Federal funds.

We have other legislation and other laws in connection with this type of legislation, and we should legislate for the special and specific purpose with which we are concerned:

That is, building more schools and providing more money for teachers' salaries for the boys and girls in the public schools of America.

Secondly, I want to point out that if we do have this type of legislation, we are perhaps destroying the Supreme Court's own idea of deliberate speed and taking away some of the flexibility that is permissive on the part of the administration to enforce this law in different directions in different sections of the country, as the need may be.

Thirdly, I want to point out that in cases where there has been enforcement of the Supreme Court decision such as Little Rock, not a cent of Federal funds was involved. They were all State funds down there.

And it does not make any difference whether Federal funds are involved or State funds are involved or local funds are involved.

The 14th amendment, as interpreted by the Supreme Court of the United States in *Brown against School District* and the series of cases that followed it, is applicable whether we write it into this legislation or not.

Then the only reason to write it into this legislation is to help destroy it; is to prevent its passage; is to encourage people who would otherwise vote for it to vote against it because in black and white they have a political situation down in their own communities, their own congressional districts in their own States, whereby they cannot vote for that specific statement.

And that brings up the second point, and that is, while we should not do anything one way or the other, in my opinion, in this business of segregation, trying to vote for or against segregated schools, we should not help those segregated schools, and this loans to private schools proposal will do that.

Now, we do not know what a private school is exactly. I think legislation that provides for loans to private schools should be very carefully analyzed to determine just what private schools shall get such loans.

We would not want a private school that was teaching communism to get a loan.

We had great difficulties with private schools during the GI bill of rights for schools that just arose for the purpose of financing education and getting the Federal grant, and we had to return to the business of licensing those schools by local agencies.

So if we have this loan provision, the first thing we will have to do, in justice to our constituents, as Senator Goldwater pointed out in his statement, we will have to put some Federal controls on to the private schools that are licensed.

Now, I do not think that some of these schools will want to take a few dollars in loans and accept Federal controls.

And other schools which are irresponsible will want to get as much money as they can from the Federal Government. It will be a long time before we catch up with them.

And so, in the first place, we have to very carefully decide, if we have loans for private schools, just what kind of legislation we are going to provide. And it should be decided in a separate bill, because we know what a public school is.

Public schools are regulated by the State superintendents or the chief State school officers of the State. We have experience in such legislation as the impacted area legislation, in legislation such as the

National Defense Education Act, and all these others in grants-in-aid to public schools. So we know where we are going and what we are doing when we make such grants-in-aid.

Therefore, let us not clutter up a simple sort of a bill by giving loans to private schools.

The second thing, of course, is the question of the constitutionality. The President has said that he believes that this law, a law providing for loans at at least a lower interest rate, a subsidized interest rate, would be unconstitutional.

From my examination of the Constitution, I am not so sure that it would be unconstitutional. I would vote for such legislation, if it were separate legislation, on the theory that, after all, we need to have help and support of the boys and girls who go to the private schools just as much as the boys and girls who go to public schools.

Senator DIRKSEN. Senator Metcalf, what do you think the President would do, or have to do, in view of his public statements with respect to this?

Senator METCALF. I think that is a very important point. In view of his public statement, I feel that the President might have to veto such legislation.

So why not divide it? Take that controversial part out of a bill such as this that is related only to public schools, and send it down separate and apart, in view of the danger of veto.

I do not know; of course, I cannot get into the mind of the President any more than any of the others on this committee can.

But in view of the statements that he has made that he believes it to be unconstitutional, I am afraid that if he carries out his oath of office, he would be constrained to veto the bill.

And, again, that is a third argument that I was going to bring up for separate and distinct legislation. A few years ago, when I was a member of the Legislature in Montana, I voted for a free bus transportation bill, and in Montana we have a much stronger constitutional provision against parochial schools than we have in the Federal Constitution.

On the other hand, I felt at that time that it was not a contribution because the bus went by the same place, picked up the children, and delivered them to a place downtown, without any extra cost to the State of Montana or to the various counties and school districts concerned.

But I was thinking then, as I am thinking now, about the effect of this private school legislation on the boy and the girl, whether it is riding to school or having a textbook or having a teacher.

But I would certainly hope that we would treat the private schools differently and separately and apart. And, therefore, Mr. Chairman, in these two amendments that are so talked about—first, the segregation amendment, the Powell type of amendment; and the second, the loans to private schools—I urge this committee to deal with that in separate legislation; to allow this segregation thing to work itself out in separate law under the Supreme Court decision and in accordance with administrative procedures that we have downtown, and to take care of any necessary legislation on private schools by a further bill.

Now, may I conclude with a discussion of the Impacted Areas Act, Public Laws 815 and 874.

I urge that it be continued for at least 2 more years in the present form.

From time to time we have amended the Impacted Areas Act so that it is much broader in concept than it was when it originally started.

Originally, you will recall that when we had the wartime impact upon these areas, all at once school districts, largely in the East and the South, said: "Well, look what the Federal Government is doing to us. They are increasing our school costs and putting lots of Federal boys and girls into the schools without paying any taxes."

Then the bill was passed.

And so we from the West came in and pointed out that we have had such an impact ever since we became States. The Senator from Oregon will know, as will the Senator from Arizona, how much Federal land we have.

And we put Indians under it; we put forest rangers under it; and we have had a great deal of benefit that we should have had for a long, long time from this legislation. I believe that the Indian legislation should be made permanent.

I believe that we will find that some of the other Federal impact provisions should be made permanent.

On the other hand, I believe that there are certain industrial impacts that tend to go away after 2 or 4 or maybe 10 years, and that we should carefully scrutinize the bill to determine whether or not there should be a continuation for these impacts that grew out of changes of wartime industry and now continue along in the community and pay the taxes and have their employees pay the taxes that every other industry pays.

Senator DIRKSEN. You do not contend that Public Law 815 is an aid to education bill, do you?

Senator METCALF. I absolutely do. I say it is Federal aid to education in all its forms.

Senator DIRKSEN. It is in lieu of taxes, is it not?

Senator METCALF. It is not in lieu of taxes; of course not. It is based on an entirely different concept. It is based on the need of those Federal boys and girls in the school districts.

Senator DIRKSEN. If the military installation was not there, the act would not have come into effect?

Senator METCALF. That is correct.

Senator DIRKSEN. It was because the community lost taxes, the displacement of the assessments.

Senator METCALF. But some military installations bring a tremendous benefit to the community and have very few children contributing to the educational system. Therefore, they contribute very little.

Others are just the opposite. Lots of children come to the community and there would be very little impact on the taxes, and so we pay for that.

Senator DIRKSEN. But this whole concept and the origin of the act, as I remember it, was to take care of these burdens on the community as a result of a displacement of their assessable, taxable value. That is in lieu of taxes.



Senator METCALF. Senator, down on the Northern Cheyenne Reservation in southern Montana, there is probably the most poverty-stricken Indian tribe in America, except perhaps for the Papagos. If we paid full taxes on all the Federal property, we would only receive one-tenth of the amount of money for our school systems that we receive from the Federal Government under Public Law 874.

Senator DIRKSEN. Well, now, apply it any other place except Indian children.

Senator METCALF. I will apply it to the Forest Service. I will apply it to everything that we do in the Federal Government.

These air bases out in the middle of the desert, these air bases on the prairies of eastern Montana, the in-lieu-of-tax payments would not begin to amount to as much as we get from Public Law 874.

Senator DIRKSEN. I wish you would cite some specific examples.

Senator METCALF. I have cited specific examples.

Senator DIRKSEN. Documented examples.

Senator METCALF. I will be glad for the record to document the example I cited about the Northern Cheyenne Indian Reservation.

I will be glad for the record to document the Glasgow Air Base.

Senator DIRKSEN. Let us find out why, how and how much was made available and what the basis for it was.

Senator METCALF. We can find out exactly how much it made available, and the basis for it is the boy and the girl that come in with those parents who are either working or living on Federal property, or both, and it is not a basis of the value of the Federal land involved.

Senator DIRKSEN. That I've got to see.

Senator MORSE. The record will show that the Senator from Montana will insert at this point in the record the documentation called for by the Senator from Illinois.

(The documentation referred to follows:)

U.S. SENATE,  
COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,  
March 20, 1961.

Senator WAYNE MORSE,

*Chairman, Subcommittee on Education, Senate Labor and Public Welfare Committee, New Senate Office Building, Washington, D.C.*

DEAR MR. CHAIRMAN: Following is the statement I promised to furnish following Senator Dirksen's and my colloquy before the subcommittee on Monday, March 16.

In support of my contention that Federal impact funds are not in lieu of taxes but are based on the needs of students in affected school districts, I cite first this statement which appears in the introduction (p. 1) to the Sixth Annual Report of the Commissioner of Education on Administration of Public Laws 874 and 815:

"Instead of a straight payment in lieu of taxes on the property itself in the jurisdiction where it is situated, the payment under Public Law 874 is calculated on the basis of that part of the local share of the cost of educational services normally borne by a property tax on places of residence or places of employment. Under Public Law 815, the payment is in terms of a grant to the school district of the Federal share of the cost of providing school facilities for children residing on or with parents employed on tax-exempt Federal property. This Federal share is computed in relation to the State average per pupil cost of constructing school facilities."

I promised to cite specific examples, in connection with the Glasgow Air Force Base and Northern Cheyenne Indian Reservation in Montana, which show the relationship of the payment to educational needs rather than taxes replaced.

The Glasgow Airbase in Valley County contains 4,520 acres. Of these, 3,917 acres were obtained from State lands and 603 acres were purchased from private owners. These 603 acres paid \$87.85 taxes in the year 1957-58. Valley County

school officials advise me the payment would be at the same rate were the lands still privately owned.

These formerly private lands are comparable in value to the former State lands which form the remainder of the airbase. Had the entire 4,520 acres been taxed at the rate which applied and still applies for the 603 acres, the taxes received annually would be \$658.87.

Total school enrollment in Valley County in May of 1957 was 1,333 students. There were 54 teachers. As of March 14, 1961, there were 2,676 students, 120 teachers, plus an enlarged administrative staff. Thus the school operations (and costs) have more than doubled. The county superintendent of schools, Mrs. Ruth Putz, says "with very little exception the airbase has caused this change."

Mr. William C. Greer, superintendent of schools, district No. 1, Glasgow, reports that percentagewise, in the period from the 1957 school year to the 1960-61 school year, pupil increase has been 200 percent, operational increase 202.7 percent, operational increase as represented in teacher salary 56 percent.

However, he states the loss in taxable value represented by those 603 acres has been 0.01 percent.

A total of \$1,553,643 under Public Law 815 and \$720,808 under Public Law 874 has gone into Valley County. Most of this Federal payment stems from the Glasgow Airbase, whose lands when taxed, I repeat, brought the county \$87.85 a year.

In fiscal 1959, Valley County schools included 85 children whose parents or parent lived and worked on the base and 294 children of airbase personnel who lived off base.

In fiscal 1960 the number of children rose respectively to 281 children in category A and 370 children in category B.

In fiscal 1960 more than \$250,000 went into Valley County schools under Public Law 874. Well over half that amount relates to the Glasgow Airbase. But if only half the annual payment were related to the airbase, that \$125,000 would be more than 1,400 times greater than the taxes previously paid on lands now part of the base.

Or, to put it another way, each year the Federal Government grants that \$87.85, formerly raised by taxes, several times over, for each of several hundred children.

I hope the details I have cited on this particular question make clear to all that Public Laws 815 and 874 relate to the cost of educating children, that they are not in lieu payments.

On the Northern Cheyenne Reservation, 89 percent of the land is in trust status, and subsequently no taxes are paid on it. Much of the land in this area, as on many Indian reservations, is poor and unproductive, worth less than that in Valley County. Under Public Law 815, \$629,178 in Federal money has been spent in the Lame Deer and Ashland school districts in this area. Under Public Law 874, the Federal Government contributed \$36,446 to these two school districts in 1959, and \$50,709 in 1960.

On March 17, 1961, Valley County Superintendent of Schools Ruth Putz wrote me a letter describing the history and criteria of Federal impact appropriations in that area. I ask that it be printed as part of my presentation, and I commend to all this enlightening letter from a fine teacher and administrator.

Sincerely yours,

LEE METCALF.

VALLEY COUNTY,  
Glasgow, Mont., March 17, 1961.

Hon. LEE METCALF  
Old Senate Building,  
Washington, D.C.

DEAR SENATOR METCALF: A day message sent you on Tuesday, March 14, 1961, gave you statistical information regarding School District No. 1, Valley County, Glasgow, Mont.

Are these payments under Public Law 874 "in lieu of taxes"? Does "in lieu of" mean that certain lands were once privately owned and taxed, and then taken by the Federal Government to public use, and now the Federal Government under Public Law 874 is compensating for this loss? 2. Or does "in lieu of taxes" mean that there was, nor is, any existing tax base to lose and because public education depends upon such a base for taxes, Public Law 874 is given to the

district "in lieu of" any property upon which to base a tax to support education for children, in other words "impact."

Five of Valley County's 13 operating school districts receive Federal aid for maintenance and operation of public schools under the provisions of Public Law 874, and likewise all five have or are now receiving construction aid under Public Law 815. Let me sketch for you a brief narrative of three of these districts which will review the history and philosophy of Federal Government in giving aid for public education:

- (a) Frazer—Fort Peck Indian Reservation.
- (b) Fort Peck—Project Missouri River at Fort Peck (Fort Peck Dam).
- (c) Glasgow—Glasgow Air Force Base.

#### FRAZER—FORT PECK INDIAN RESERVATION

Frazer School District No. 2 is presently receiving aid under Public Law 874 after transferring from Johnson-O'Malley 3 years ago.

History shows us that the first President of the United States recognized the need for education of the Indian children and made this an obligation of the Federal Government by treaties. Such treaties were made with all Indian tribes and when Montana became a State, we accepted this obligation for education of native Americans in our Enabling Act. From 1934 until 1958, Indian education was financed under the provisions of the Johnson-O'Malley Act. We are now under Public Law 874 in district No. 2, Frazer.

Was this "money in lieu of taxes" under definition 1 or 2?

"Lands which are occupied by a tribe or tribes of Indians have always been regarded as not within the jurisdiction of the State for purposes of State property taxation." The tribes have been regarded as distinct political communities. Therefore we never lost any land from taxation (definition 1 cannot apply), but we need funds for education of children for which according to our philosophy, we have a civil, as well as a moral obligation.

#### FORT PECK DISTRICT NO. 21, VALLEY COUNTY—MISSOURI RIVER AT FORT PECK

The Fort Peck Dam started construction in 1933. The townsite of Fort Peck lies in school district No. 21, Valley County, but the powerhouse lies across the Missouri River and in fact in another county (McCone).

The project<sup>1</sup> consists of 610,036 acres associated with it. Of this 422,069 acres were public domain, and 20,263 acres in riverbed and flow, and only 167,704 acres were purchased. Of the lands purchased only 36,217.26 acres lay in Valley County, the remainder in Garfield, McCone, Phillips, Petroleum, and Fergus Counties. Specifically, school district No. 21 lost 8,880 acres or 86 percent of its land. It was operating a one-room rural school with an enrollment in 1932 of 12, 1933 of 7, 1934 of 30, 1935 of 332 aside from a Federal Government school which had an enrollment of 258. (See exhibit A, col. A.) Likewise, the impact of elementary schoolchildren had overflowed into the adjoining districts Nos. 6 and 20. (See cols. B and C of exhibit A and for location of same see map exhibit B.) Remember this was 1932 to 1937 and while everyone was happy to have a job, the schools had a terrific pupil-teacher load and no means of finance. (I was a "dam" teacher, you know.) There was no Federal aid and no taxable property to support education.

Finally in 1946, Wesley D'Ewart, Republican, introduced a bill in the House which became Public Law 586 which made an appropriation to the Corps of Engineers at Fort Peck to be used for education of the public school children whose parents were employed on the Fort Peck project and who resided at Fort Peck. No mention was made to "in lieu of." It was a recognition of a responsibility for education due to a Government-directed order.

Then in about 1952, after the Federal Government had built more dams, projects, etc., a general policy for any school district federally impacted was adopted and Federal funds for "impacted areas" was established and administered through the Office of Education under provisions of Public Law 874. Today, Fort Peck School District No. 21 receives financial aid under Public Law 874.

If this was money "in lieu of" tax property lost, then the other counties of McCone, Garfield, etc., should likewise be compensated by the Federal Government.

<sup>1</sup> Information courtesy of Don Beckman, Corps of Engineers, Fort Peck.

## GLASGOW SCHOOL DISTRICT NO. 1, VALLEY COUNTY, MONT.

As stated in our other correspondence the present Glasgow Air Force Base contains 4,520 acres. Three thousand nine hundred and seventeen acres was State land (not subject to tax). The loss in acres to school district No. 1, is 603 acres or 0.019095 percent. However, the impact of students is immense:

	1957 (May)	1961	Percent increase
Enrollment.....	1,333	2,628	200
Teachers.....	54	120	56
Operational costs.....			202

<sup>1</sup> Plus administrative staff.

Payment in lieu of taxes on property lost (0.019095 percent) could never compensate for the impact of enrollment of 200 gain.

Do we need Federal aid to replace money lost by seizure of property by Federal Government, or do we need Federal aid to compensate for the increased burden of education placed upon a district by reason of a Federal installation?

The criteria set forth for entitlement under Public Law 874 takes into account (a) local effort and (b) eligible pupils in terms of residence and employment.

If Federal reimbursement is to be made on "in lieu of" the basis of actual acres lost to taxation because of a Federal installation—

(1) Frazer School District No. 2 would have no entitlement since no acres were lost.

(2) Fort Peck School District No. 21 should receive 86 percent of what the land would earn in taxation to support a school population of 99.4 percent 3a pupils.

(3) Glasgow School District No. 1 should receive 0.019095 percent.

The loss of acreage is not the important aspect. The increase in school population with its allied increase in maintenance, operational, and construction costs is of prime importance.

Respectfully submitted.

RUTH PUTZ  
Mrs. Wayne Putz, Sr.,  
County Superintendent, Valley County Schools.

U.S. SENATE,  
COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,  
March 24, 1961.

Senator WAYNE MORSE,  
*Chairman, Subcommittee on Education,*  
*New Senate Office Building,*  
*Washington, D.C.*

DEAR SENATOR MORSE: Please make the attached March 19 letter and enclosures from Harry H. Cloke part of my response to your and Senator Dirksen's request, when I testified on Monday, March 13, for documentation of the statement that Public Law 815 and 874 are directly related to the costs of education, rather than local taxes.

I previously sent you my letter and a supporting letter from Superintendent Ruth Putz.

Sincerely,

LEE METCALF.

LAME DEER PUBLIC SCHOOL,  
*Lame Deer, Mont., March 19, 1961.*

Senator LEE METCALF,  
*Senate Office Building,*  
*Washington, D.C.*

DEAR SENATOR METCALF: As a school administrator for many years in federally affected areas I can most emphatically assure you that Public Law 815 and Public Law 874 funds are most directly related to the cost of education and not a mere means of payment in lieu of taxes. It is most imperative to state that these funds are honorably intended to educate children not to reduce taxes.

It is lamentably shortsighted for anyone to consider the vital funds of Public Law 815 and Public Law 874 as a mere meeting of a moral obligation by the Federal Government. The enclosures give most irrefutable proof of my thesis that Federal funds are solely directed to the educating of children and not to the mere reduction of taxes. (It seems essential to emphasize this.)

Columns 7 and 8 of exhibits A and B show the local contribution rate and the per capita cost of five school districts comparable in this instance to Lame Deer. It is noted that our local contribution rate is \$216.61 while our per capita cost is \$473.05. Our Public Law 874 money is used in its entirety for a percentage portion of the cost of operating and maintaining our public school whose students are 95 percent Northern Cheyenne Indians.

Sincerely,

HARRY H. CLOKE,  
*Principal, Lame Deer Public Schools.*

**TABLE 42.—Tables relating to local contribution rate under Public Law 815 and Public Law 874, Montana School Districts****EXHIBIT A****Table 6. Comparable district data for school districts individually selected as comparable to applicant district**

(To be completed in full by sec. 3 and sec. 4 applicants unless: (1) State has group rates or (2) application is made under subsec. 3(c)(1) only and applicant elects to have local contribution rate based on minimum rate, requested in table 4, item 1)

**LAME DEER NO. 6, ROSEBUD COUNTY**

Montana-60-E-506

Names of five comparable school districts and county in which located  (1)	ADA  (2)	Revenue receipts for current expense purposes		Current expenses paid from local sources only (exclusive of debt service and capital outlay expenditures excluded by Public Law 874)  (5)	Total current expenses (exclusive of debt service and capital outlay expenditures excluded by Public Law 874)  (6)	Local contribution rate (col. 5 divided by col. 2)  (7)	Per capita cost (col. 6 divided by col. 2)  (8)
		From local sources only  (3)	From all sources  (4)				
1. Total for all districts in State.....	124,051	\$33,803,202	\$49,861,901	\$33,801,383	\$49,861,901	\$272.48	\$401.95
2. Names of comparable school districts (data for 1956-57):							
Roosevelt County, Bainville, No. 64.....	148.2	52,582	72,180	48,014	65,908	323.98	444.72
Bonner, No. 14, Missoula County.....	225.0	71,658	99,641	75,658	105,198	336.26	467.55
Swan Valley, No. 33, Missoula County.....	34.7	12,918	22,044	13,154	22,447	379.08	646.89
Froid, No. 65, Roosevelt County.....	135.7	55,795	70,439	54,945	69,367	404.70	511.18
Greenfield, No. 75, Teton County.....	109.0	31,350	47,899	33,134	50,625	303.98	464.45
3. Comparable districts: Aggregate for cols. 2-6; quotient for cols. 7 and 8, Lame.....	652.6	224,303	312,203	224,905	313,545	344.63	480.50
4. Applicant district (1956-57), Lame Deer, No. 6.....	180.4	30,097	65,722	39,077	85,339	216.61	473.05

HARRY H. CLOKE,  
Principal, Authorized Representative.  
K. F. BERGAN,  
State Director of Public Law 874.

TABLE 7 - Information relating to school districts entered in table 6 for fiscal year 1957-58

(To be completed in full by sec. 3 and sec. 4 applicants unless: (1) State has group rates or (2) application is made under subsec. 3(c)(1) only and applicant elects to have local contribution rate based on minimum rate, requested in table 4, item 1)

## LAME DEER NO. 6, ROSEBUD COUNTY ELEMENTARY

Montana-60-E-506

School districts (1)	Legal classification (2)	Type of community (urban, suburban, or rural) (3)	Grade levels maintained (4)	Percent of pupils transported (5)	Pupil-teacher ratio (6)	Assessed taxable valuation		School tax rate for current expenses only (mills per \$1) (9)	Total tax rate for all school purposes (mills per \$1) (10)
						Total for school purposes (7)	Percent of true value (8)		
1. Bainville No. 64, Roosevelt County.....	3d.....	Rural.....	1 to 8.....	49.38	23 to 1.....	1,177,558	30.7	38.82	38.82
2. Bonner, No. 14, Missoula County.....	2d.....	do.....	do.....	None	20 to 1.....	1,445,020	30.2	53.44	66.82
3. Swan Valley, No. 33, Missoula.....	3d.....	do.....	do.....	100.00	13 to 1.....	163,396	27.9	63.22	65.85
4. Froid, No. 65, Roosevelt.....	2d.....	do.....	do.....	46.58	19 to 1.....	775,640	26.5	53.35	53.35
5. Greenfield, No. 75, Teton County.....	3d.....	do.....	do.....	91.73	22 to 1.....	312,423	24.6	45.76	50.04
6. Applicant:									
Lame Deer a. 1957-58.....	do.....	do.....	do.....	11.16	20 to 1.....	77,444	24.6	26.57	26.57
Lame Deer b. 1959-60.....	do.....	do.....	do.....	11.16	20 to 1.....	98,014	28.3	30.00	30.00



## EXHIBIT B

Table 6.—Comparable district data for school districts individually selected as comparable to applicant district

(To be completed in full by sec. 3 and sec. 4 applicants unless: (1) State has group rates or (2) application is made under subsec. 3(c)(1) only and applicant elects to have local contribution rate based on minimum rate, requested in table 4, item 1)

## BABB NO. 8 ELEMENTARY, GLACIER COUNTY

No. 102-874 (1960-61)

Names of five comparable school districts and county in which located  (1)	ADA  (2)	Revenue receipts for current expense purposes		Current expenses paid from local sources only (exclusive of debt service and capital outlay expenditures excluded by Public Law 874)  (5)	Total current expenses (exclusive of debt service and capital outlay expenditures excluded by Public Law 874)  (6)	Local contribution rate (col. 5 divided by col. 2)  (7)	Per capita cost (col. 6 divided by col. 2)  (8)
		From local sources only  (3)	From all sources  (4)				
1. Total for all districts in the State.....	128,785	\$35,530,164	\$53,287,708	\$34,116,039	\$51,148,485	\$264.91	\$397.16
2. Names of comparable school districts (data for 1958-59):							
Boyd No. 28, Carbon.....	35.7	11,708	16,870	10,415	15,007	291.74	420.36
Winkler No. 28, Glacier.....	27.8	16,580	21,610	15,070	19,643	542.09	706.58
Hellgate No. 4, Missoula.....	63.5	17,463	26,123	15,432	23,085	243.02	363.54
Heron No. 3, Sanders.....	45.7	16,261	22,930	16,909	23,846	370.00	521.79
Logan No. 1, Gallatin.....	42.9	11,972	18,467	10,807	16,679	251.91	388.79
3. Comparable districts: Aggregate, cols. 2-6; quotient, cols. 7 and 8.....	215.6	73,984	106,000	68,633	98,260	318.33	455.75
4. Applicant district (1958-59): Babb No. 8, Glacier.....	47.7	14,934	26,552	16,970	30,174	355.77	632.57

Table 7.—Information relating to school districts entered in table 6 for fiscal year 1958-59

(To be completed in full by sec. 3 and sec. 4 applicants unless: (1) State has group rates or (2) application is made under subsec. 3(c)(1) only and applicant elects to have local contribution rate based on minimum rate, requested in table 4, item 1)

BABB NO. 8 ELEMENTARY, GLACIER COUNTY

No 102-874 (1960-61)

School districts (1)	Legal classification (2)	Type of community (urban, suburban, or rural) (3)	Grade levels maintained (4)	Percent of pupils transported (5)	Pupil-teacher ratio (6)	Assessed taxable valuation		School tax rate for current expenses only (mills per \$1) (9)	Total tax rate for all school purposes (mills per \$1) (10)
						Total for school purposes (7)	Percent of true value (8)		
Boyd.....	3.....	Rural.....	1 to 8.....	.....	13 to 1.....	\$230,861	28 82	33.00	33.00
Winkler.....	do.....	do.....	do.....	.....	10 to 1.....	700,194	46.06	20.20	33.52
Hellgate.....	do.....	do.....	do.....	.....	19 to 1.....	1,353,174	29 32	21.87	25.40
Heron.....	do.....	do.....	do.....	.....	15 to 1.....	258,457	31.06	44.59	52.81
Logan.....	do.....	do.....	do.....	.....	16 to 1.....	727,095	36.41	23.05	23.05
Applicant:									
Babb a. 1958-59.....	do.....	do.....	do.....	.....	17 to 1.....	338,969	27 55	31.22	35.78
Babb b. 1960-61.....	do.....	do.....	do.....	.....	do.....	.....	.....	.....	.....

## EXHIBIT C

Table 6. *Comparable district data for school districts individually selected as comparable to applicant district*

(To be completed in full by sec. 3 and sec. 4 applicants unless: (1) State has group rates or (2) application is made under subsec. 3(c)(1) only and applicant elects to have local contribution rate based on minimum rate, requested in table 4, item 1)

Names of five comparable school districts and county in which located  (1)	ADA  (2)	Revenue receipts for current expense purposes		Current expenses paid from local sources only (exclusive of debt service and capital outlay expenditures excluded by Public Law 874)  (5)	Total current expenses (exclusive of debt service and capital outlay expenditures excluded by Public Law 874)  (6)	Local contribution rate (col. 5 divided by col. 2)  (7)	Per capita cost (col. 6 divided by col. 2)  (8)
		From local sources only  (3)	From all sources  (4)				
1. Total for all districts in State.....	128, 785	35, 530, 164	\$53, 287, 708	\$32, 116, 039	\$51, 148, 485	\$264. 91	\$397. 16
2. Names of comparable school districts (data for 1958-59):							
Logan No. 1, Gallatin County.....	42. 9	11, 972	18, 467	10, 807	16, 679	251. 91	388. 79
Swan Valley No. 33, Missoula County.....	41. 6	10, 520	25, 520	9, 567	23, 221	229. 98	558. 20
Harris No. 3, Sanders County.....	45. 7	16, 261	22, 930	16, 909	23, 846	370. 00	521. 79
Lonepine No. 12, Sanders County.....	44. 3	16, 587	26, 565	13, 972	22, 377	315. 40	505. 12
Frazer No. 2, Valley County.....	124	30, 215	55, 994	30, 405	56, 347	245. 20	454. 41
3. Comparable districts: Aggregate cols. 2-6; quotient, cols. 7 and 8.....	296. 5	85, 555	148, 458	81, 660	142, 470	273. 57	477. 29
4. Applicant district (1958-59).....	65. 5	17, 566	25, 789	25, 278	37, 119	385. 92	566. 70

TABLE 7.—*Information relating to school districts entered in table 6 for fiscal years 1958-59*

(To be completed in full by sec. 3 and sec. 4 applicants unless: (1) State has group rates or (2) application is made under subsec. 3(c)(1) only and applicant elects to have local contribution rate based on minimum rate, requested in table 4, item 1)

School districts	Legal classification	Type of community (urban, suburban, or rural)	Grade levels maintained	Pupil-teacher ratio	Assessed valuation		School tax rate for current expenses only (mills per \$1)	Total tax rate for all school purposes (mills per \$1)
					Total for school purposes	Percent of true value		
(1)	(2)	(3)	(4)	(6)	(7)	(8)	(9)	(10)
1. Logan No. 1, Gallatin.....	3	Rural.....	L-1-8	16-1	\$727,095	36.41	23.05	23.05
2. Swan Valley, Missoula.....	3	do.....	1-8	20-1	169,881	25.03	52.31	62.94
3. Heron, Sanders County.....	3	do.....	1-8	17-1	258,457	31.06	44.59	52.81
4. Lonepine No. 2, Sanders.....	3	do.....	1-8	6-1	207,625	27.34	53.16	53.16
5. Frazer No. 2, Valley.....	3	do.....	1-8	21-1	483,998	25.29	46.37	46.37
6. East Glacier No. 50 <sup>1</sup> .....	3	do.....	1-8	21-1	656,538	33.16	37.88	37.88
East Glacier No. 50 <sup>2</sup> .....	3	do.....	1-8	21-1	-----	-----	27.60	27.60

<sup>1</sup> 1958-59.

<sup>2</sup> 1960-61.

Senator GOLDWATER. Might I pursue this a bit, because I agree with you that both of these impacted bills should continue.

I do not agree that the proposed Federal aid to education bill would, in any way, alleviate these problems. But in the case of the Indian child, we have a direct responsibility under treaty in most cases, or under Presidential proclamation, where they have been created in that manner to educate these children.

Actually, it is cheaper in most cases to use Public Law 874 than to try to have the Bureau of Indian Affairs construct schools, and I think you will agree on that.

Senator METCALF. Not only is it cheaper, but it is better from every educational standpoint to have those Indian children members of a State school district where they are serving on the board of education just the same as their non-Indian neighbors than to have a segregated Indian school.

Senator GOLDWATER. You are right, but the point I wanted to make is that we do have a Federal responsibility to these Indian children, and we have not been exercising it.

But it is not a matter of Federal aid to education.

These children are the same to us at the Federal level as our children are to us at the local school board level. In your example of the national parks, you know of the problem we have.

The Grand Canyon, for example, has only two taxpayers, and for a while they could support the schools, but then we suddenly found ourselves with high school students that had to be driven 120 miles a day.

We talked to the national parks people and they include in their budget money that is in lieu of taxes, and that supports these schools.

But, again, there is a definite responsibility in this particular bill, and the matter of land, I would go along with your idea of reviewing it occasionally, but in most cases, when the impact is caused, it is because a rather sizable area of property has been taken off the tax rolls, and property is what provides the taxes for the schools.

I am thinking of a school district in Tucson that had been getting along famously until Hughes moved in, and they took five sections of land and made it tax free. No matter how much the income of the natives might go up, property values have not gone up, and they will continue to need this impacted money which in the end, as I said—I have not found too many strings attached to it, but it is not, in my estimation, Federal aid.

It is Federal pay for services performed.

Senator METCALF. And, Senator, the impacted areas bill has an inherent danger built into it that is not in the bill that Senator Morse has introduced, and that I have cosponsored.

The Federal aid goes directly from the Office of Education to the local school district. There is not even an intervening State agency involved.

The local school district applies directly to the Office of Education for that aid.

In our bills, we have built in an intervening agency, and that is the chief State school officer of the State or the Governor or the State school system, so that there is this buffer between the Office of Education and that school board.

And you take the school board such as Arlington over here, where a tremendous amount of the whole cost of education is borne by the Federal Government.

Surely Uncle Sam is sitting on that school board, and yet there has not been a single instance of Federal influence or control of education, as far as I know about, and I have challenged witness after witness, Senator.

Senator GOLDWATER. There are controls in these bills.

Senator METCALF. I agree there are controls.

Senator GOLDWATER. There have to be. I think you have to agree with that.

Senator METCALF. I agree.

I think we are in accord.

Senator GOLDWATER. I might say, if I ever agree that we need Federal aid for education, if there was some way you could build a glass house around this bill and never have any further restrictions written into it, I do not think anybody would be too worried.

But we are not going to be here forever, and there will be other Congressmen and there will be other pressures to expand these controls.

While, certainly, there is no control over curriculum as yet, there is really no control over what a teacher will be paid or his qualifications as yet, certainly it is not beyond the realm of imagination to believe that these could come about. I do not say they will, but they could come, with men being what they are.

Senator METCALF. Senator, I do not believe in legislating on a basis of fear, and that constant reiteration of "I fear what may happen if we do this" is something that I feel we should shove aside, because I have the same confidence in the Senators and the Congressmen that are going to succeed me from the State of Montana that I have in my colleagues in the Congress of the United States today.

And I believe that they are going to come here imbued with the idea that the strength of American education is the strength of these 40,000 school districts.

I have no fear for the future, as far as they are concerned.

Senator GOLDWATER. I might just say that our Founding Fathers wrote the Constitution on fear—fear of concentration of power.

I think it is a fear that every American has to carry with him.

I do not call it legislating on fear. I call it legislating on the frailties of human nature.

Senator METCALF. And I believe we are going to carry out the provisions of that Constitution just as certainly as our predecessors have carried it out in the 170-some years since it was adopted.

Senator GOLDWATER. I do not think that legislating from concern or fear is wrong, because if that is wrong, then so were our Founding Fathers who came from Europe knowing what centralized power could do to freedom.

That is the constant concern of all of us, regardless of whether we call ourselves liberals or conservatives.

Senator METCALF. Certainly, Senator.

Senator GOLDWATER. We feel that this would be a result of a movement in this direction.

Senator MORSE. The Senator from Texas?

Senator YARBOROUGH. No questions.

Senator MORSE. The Senator from West Virginia?

Senator RANDOLPH. Only our Founding Fathers did ask that we legislate, is that not correct, for public education?

Senator GOLDWATER. I think we have done it down through the years, too, but they did not ask that we take this step into the public schools of America that has historically been the responsibility of parents.

Senator MORSE. I want to thank the Senator—I beg your pardon?

Senator YARBOROUGH. I have just one observation.

Is the view of the distinguished Senator from Arizona that in George Washington's message to the Second Congress in 1790 recommending Federal aid to education, that he meant only higher education and not secondary education?

Is that the view of the distinguished Senator?

Senator GOLDWATER. I think that he meant in that message about the same feeling that I get from the writers when they refer to public welfare.

They want a climate created in which this can operate. It does not go to the specifics of taking care of this, that, or the other thing, or spelling it out.

Where the Constitution spells out a responsibility, then I think we are charged to act.

Where it is vague and there has been no conclusive proof that we have the right to move in, then I do not think we should.

Senator RANDOLPH. Senator Goldwater, we could not spell out Federal appropriations for space ships.

Senator GOLDWATER. Oh, yes; we can.

Senator RANDOLPH. We could not at that time.

Senator GOLDWATER. No; but we are charged with the defense of our country. We did not spell out black powder and musket balls either, but we used them.

Now we have space ships.

Senator RANDOLPH. There are some persons that are not too sure that space ships are part of defense.

Senator GOLDWATER. That is a gap now.

Senator MORSE. Senator Metcalf, I want to thank you very much for your testimony.

I want to call attention to the fact that section 103 makes very clear that the bill specifically provides against any Federal dictation of educational policy.

I have complete confidence in the future Congresses and in the judicial area of this country to see to it that the Constitution is not violated.

As far as the chairman is concerned, I am not going to vote ever against something that is needed now on the basis of expressions of fear that maybe some time in the future Congresses may go beyond their constitutional limitations.

If they do, the Supreme Court will sit there to check the Congress.

That is part of our checks and balances system. That is the only position I wanted to take for the record, in view of this very interesting colloquy that has taken place, and I respect the differences in point of view within the subcommittee.

I thank you very much for your appearance before the subcommittee.

Senator GOLDWATER. Could I, in answer to that, point out one thing, so that it might be on the record.

I realize that a lot of care went into the language of this bill to preclude control.

Yet, section 106 would impose a penalty on a State which does not increase its school effort in the years 1962-63, or 1963-64, over the average of the preceding 3 years by at least as much as the average annual increase in the national school effort which occurred between those years.

Then they spell out school effort as the percentage which State and local schools expend for public school pupils of personal income.

Now, this is a control, and these criteria are going to be written by the Commissioner.

In other words, you have to comply.

And you and I will agree that we have to put that language in the act. But it is a control.

Senator METCALF. I agree that that language is a control and should go in.

And I am not one of those who says that Federal controls are bad. I say that Federal control of education is bad, and I think section 103 spells out—and it was in my bill last year, the Metcalf bill, and it has been in other bills—spells out that we shall not, in our need to have some controls over this process of distributing money, that we shall not control the teachers, or the course of study, or the textbooks, or the curricula.

And those are the things that we are going to leave to the local school board, to the local school districts, as we have traditionally left them in the past.

Senator MORSE. I want to say that the chairman looks forward to what I am sure will be a very interesting discussion with the Senator from Arizona in marking up this bill, but I would not want the record to close without this comment.



We are in a semantic discussion right now as to the meaning of control.

The Federal Government has a duty to write into the law the checks that must be met by a State to qualify for getting the funds.

This does not mean any control of educational policy. The check to which the Senator is referring is a qualification check in order to be eligible to receive Federal funds.

It would prevent passing the buck to the Federal Government in order to have the Federal Government pay that part of the bill which the State has heretofore paid.

To do so is not interference with educational policy. It lays out the rules of eligibility for Federal assistance, which is quite a different thing.

This is not the type of control of educational policy, which is referred to in section 103, that we are all concerned about.

We want to guarantee to all the people of the country that the Federal Government is not going to dictate educational policy.

The Federal Government has the duty to lay down reasonable standards for qualification in order for the recipients to be eligible for Federal money.

This is quite a different thing, and if you use the word "control" to involve instances such as this, then I want to say most respectfully, you need also to have some definitive language in this bill to show the sense in which you use the word "control" with a different meaning when you are applying it to different problems.

Senator METCALF. I think section 103 does that.

Senator GOLDWATER. May I point out again that while you may look on this as a direct control on the subject of education, it could become under this language, in my opinion, control of education itself.

School effort is described as a percentage of moneys that are spent.

No mention is made here of quality, which, to my mind, is our overriding problem in this country in education; not amounts; not volume.

The findings, for instance, in this case of the Commissioner in regard to a State school effort would be conclusive. Now, that is a pretty strong control.

For instance, in my State we have a very good school system; we are above the national average in educational facilities and teachers.

We may not increase as fast as the national average because we have already gotten there. So we would be told at some time by the Commissioner—and his decision would be final—that we could not participate until we speeded up our efforts where it is not needed to be speeded up.

There was a witness here the other day——

Senator METCALF. Senator, that is just the opposite of the kind of controls that are mentioned in section 103. I agree with you wholeheartedly that quality in education is sorely needed in this country. But that quality of education must be put into education at the local level. It is none of our affair. It is none of the concern of this Congress. And we must scrupulously write legislation to keep us or keep any bureaucracies that may arise or keep any Office of Education from interfering with what is being taught at the local level.

Senator GOLDWATER. I am convinced that you share this fear. I do not accuse you of not sharing it. I think you do, and I think the

advocates of this bill actually feel that there is nothing to fear from bureaucracy enlarging its control over our schools once they have gotten their foot in the door, so to speak.

Ours is only a disagreement as to what the bill says and what will occur from a matter of history.

The other day Max Kampelman, who is counsel for the American Jewish Congress, pretty well stated this. He was talking about the low-interest loan programs and he said:

Furthermore, it is plain that the low-interest loan program would be no more than a first step. The supporters of Government aid to religious schools have repeatedly stated their belief that such aid should be given on the same basis as aid to public schools.

Thus, once low-interest loans are approved, demands will be made for no-interest loans; then 100-year loans; then for outright subsidies. Each step will be offered as justification for the next.

Now, this again, has no direct bearing on the subject of education, but it is a fear of fact recognized by the man testifying here that the course of bureaucracy is not one that stays put.

It is going to go forward, and the direction it goes forward in is the thing that we are afraid of.

Senator METCALF. I repeat, I have enough confidence in the people that are going to follow me in the Congress and in the Supreme Court of the United States that those things are never going to happen.

(Discussion off the record.)

Senator MORSE. Thank you, Senator. Thank you very much.

Senator METCALF. Thank you, Senator.

Senator MORSE. Senator Cooper?

As you come forward, Senator Cooper, I want to welcome you with an apology. I am very sorry to keep you waiting this long, but it was based upon a commitment I made the other day to Senator Metcalf, and I had to keep my commitment. I want the record to show that I welcome to this witness chair a man whom I consider to be one of the most able workers for the Federal aid to the educational program who has served in the Senate at any time during my 16 years of service in the Senate.

I have always been proud to be associated with Senator Cooper in a joint effort seeking to have the Federal Government meet its responsibilities in the matter of raising educational standards in this country.

It is a great pleasure for me to welcome you to this witness chair at this time.

You may proceed in your own way.

### **STATEMENT OF HON. JOHN SHERMAN COOPER, U.S. SENATOR FROM THE STATE OF KENTUCKY**

Senator COOPER. Thank you, Senator Morse, and I thank also the committee for inviting me to testify.

I know that it is now time to go to the Senate floor, but I assure you I will not testify long. Those who are here, if they can remain, I would appreciate it very much, and particularly my dear friend and good friend, Senator Goldwater, because I want to comment, if I may, upon the proposal that he has made in reference to what I consider to be the basic reasons for a Federal aid to education bill.

Let me say, first, that I have supported Federal aid to education in my various terms in the Senate.

In 1947, I joined with Senator Morse, and I think four or five others, as cosponsors of the bill offered by Senator Taft of Ohio.

You will remember it was passed in 1948 in the Senate.

When I was here in 1953 and 1954, when there was a Republican majority in the Senate, I served as chairman of the Subcommittee on Education of this committee, and in 1954 we reported a school construction bill which was not considered by the Senate.

I supported the bill which was passed last year.

With that said, I want to join with Senator Metcalf, and I would say with Senator Morse and others, in recommending, if I may, the course of action respecting the Powell amendment and the very controversial issue of aid to church schools.

I would hope very much that this committee would not write into the bill, and I hope it will not be written in on the floor of the Senate, the so-called Powell amendment.

I was very much interested a few days ago when I read in the newspapers that the chairman of this subcommittee had made that recommendation, and I think it is a statesmanlike recommendation.

I follow his belief that if we are attempting to raise the opportunities, to equalize opportunities for schoolchildren, that we should not penalize children whether they are white or Negro, in whatever State they live, because others have failed to follow the *Brown* case decided by the Supreme Court.

They are not responsible for this failure, and they should not be deprived of needed funds.

I may say also that I have always thought that this is a very easy way to support civil rights and the *Brown* case. It is very easy to vote for the Powell amendment and say that you have supported the *Brown* case and you are a strong supporter of civil rights.

But it could be also, I think, an evasion of your responsibility.

I would say that if we want to do something about the segregation in the schools, that we should face it directly. I have recommended and, in fact, introduced bills to permit the Attorney General to intervene in these cases where school boards have not followed the directions of the Supreme Court case, because I think it has come to the time now, after 7 years, when we should face it directly.

So I hope that this amendment will not be attached to the bill.

I know the problem of use of funds for church schools is a difficult one and a controversial one. But I think if it is added, that it will probably defeat the bill. I would think it would defeat the bill. I hope it will not be included.

It can be debated at a later time. To be perfectly honest, though, I think I should state my own opinion about it. I think we know that even after the adoption of the Constitution, that States did continue to provide funds for the support of church schools.

The first amendment went only to the action of the Federal Government. It did not apply to the States until the 14th amendment was adopted.

After the 14th amendment was adopted, then we could change the words where it says Congress shall not pass any law or shall not establish any religion, or prevent the free exercise thereof; it became applicable to the States.

I believe myself that the use of public funds appropriations for school purposes, church school purposes, it is a matter of the Constitution.

We know these churches do great work, private schools, church schools, and we would not want them to go, but I think we are faced with the first amendment to the Constitution which has been interpreted, as I view it, to prevent the use of any public funds for the general purposes of parochial schools.

There is a line—I suppose some day the Supreme Court will decide it—but my judgment is now it seems to be along the line where funds are for the benefit of the student. In other words, to be attached to that other part of the first amendment which says that we shall pass no law to restrict the free exercise of religion.

But whatever may be the judgment of the Congress on this issue, perhaps the Supreme Court at some time I do believe, if we attached this amendment, I think will defeat the bill.

So I hope it will not be done.

I introduced a bill in January, along with Senators Javits, Aiken, Fulbright, Anderson, Kuchel, Fong, and Wiley, a bill somewhat similar to the bill which is before you, which has been sent up by the administration.

I think in many respects the bills are similar. I do think there is a difference, a slight difference, or a rather large difference in the philosophy which I will argue briefly to the committee, and it is because I believe in the bill I introduced, and I hope that they might consider its purposes.

I assume that the reason, the basic reason, for any Federal aid to education bill is to equalize educational opportunities among the States, or, more precisely, among the schoolchildren of those States.

I do not believe the purpose of the bill, of an education bill, is just to add funds, contribute additional funds, to each State, regardless of, or without taking into account, what I consider to be prime objective of a Federal aid to education bill: To equalize opportunities among the schoolchildren of the State.

Now, the bill before you, the administration bill, does that to a degree. It provides that there shall be \$15 made available for every child, every public school child, in the primary and elementary schools; and it provides also by formula that additional sums shall be made available, too, upon a ratio between the income of a child in a State, in each State, and the general average of income per child throughout the Nation.

And inversely exercised, that does provide additional funds to the poor States.

But I think also that it does not meet directly and clearly this problem of raising the level of opportunity in those States that need it most, and bringing them up at least to a minimum level which other States enjoy.

For that reason, in my bill we took two measures:

One, it does appear from statistics that the average amount which is now used per schoolchild throughout the Nation is about \$400.

Statistics also show that four or five States are levying or spending about 4 percent of their income on education. And so it seemed

to me and those who joined with me in the introduction of this bill that we had two figures to start from:

The average of \$400 and a level of 4 percent which the States ought to spend for education.

So the bill which we have introduced would provide that we would use the 4 percent and apply that to each States as a level which they ought to spend upon education, then deducting that from \$400, which is the average level, and then the gap would be provided by the Federal Government.

I think it follows the two ideas which are known in the States.

One is the equalization formula which most all States use, and the other is the minimum foundation idea which I think 36 of the 50 States use.

And so my argument for our own bill is that I think it more nearly approaches the idea of raising the level in those States which need it most, and actually assuring them equality of opportunity in an educational way.

I point out that in the 18 States that are at the lowest level in educational expenditures per child, 16 of those are levying taxes at a rate higher than the national level. And the 32 top States, only 16 of them are spending more than the national average.

Senator RANDOLPH. Mr. Chairman, may I interrupt?

Senator MORSE. Yes.

Senator RANDOLPH. I do it only because I have to be at a conference and I am late now.

But I want to say, Mr. Chairman, in the presence of our colleague, Senator Cooper, that his reasoning in reference to the provision which he brings to our special attention, which is contained in the legislation that he and others have introduced, is certainly, I am sure, material to be considered in the subcommittee's executive session.

I am grateful for the appearance which he makes during this hearing. I have valued his leadership in the Congress.

Senator COOPER. Thank you very much.

Senator YARBOROUGH. Mr. Chairman, may I make a comment at that point.

Senator Cooper, while you were speaking of these States, I would like to state there the position of my home State as shown by the charts that the Secretary of Health, Education, and Welfare, Mr. Ribicoff, had with him here the other day, that were exhibited on the easels.

My home State is 29th among the States in the average annual income per capita of schoolchildren, but it was 22d among the States in the average annual expenditures per capita per schoolchild.

It spends above its average income in comparison with other States.

It is in the bottom half of the States in average income per capita of schoolchildren, but it is in the top half in the sacrifices it makes by way of expenditures.

Senator COOPER. I think that appears, when we study the expenditures per pupil and effort as measured in taxes as against the total income of the State; you find these States which need help most have really made the greatest effort.

So that is why I think that greater efforts should be made by the committee to help them raise their level, because those States and the pupils within them, the children within them, are really at the lower level of educational opportunity.

Now, I would like to speak to my good friend, Senator Goldwater, about the measure he has proposed.

I do it upon the basis of the principles which I have outlined.

Your proposal, as I understand it, is to give credit to taxpayers for local school taxes that they pay. There are other proposals that have been made here such as by my friend, Senator Cotton, to permit the States to use the cigarette tax and other proposals like that.

I point out that I think there are difficulties about those proposals from these grounds:

One, there is no assurance that the States would use them for school purposes.

Two, the richer States, the ones that need the school help the least, would receive the largest sums.

Three, I think we have all been in the Congress long enough to know that, if remitted those taxes and they were no longer collected by the Federal Government, you would soon find some way here to replace those taxes and there would be no net gain to the taxpayer.

But fourth, and most important, it would not meet this problem of helping those States and the school districts within those States who need it the most.

If we have any Federal aid for education bill, it depends, as I see it, upon this basis of equalization, and to raise directly the standards of the schools in those States which are below the national level.

I think I can say with all due respect, I think that is a basic fault with the propositions you make, and similar propositions such as one made by Senator Cotton.

That is about all I want to say. I know we always have this problem of Federal control, whether we will have Federal control.

We have had a number of school programs; we know. One goes back to President Lincoln, the land-grant college. I have really never heard any claim of Federal control.

A few minutes ago Senator Goldwater said that the provisions in this bill would permit reduction, in case the States reduced their own tax load, for Federal aid to education and that would be kind of a control.

I do not think it would be. That would be an action by the State.

All that the formula provides is that the Federal Government would not send the money to them. I do not think it would in any way control the State. If the State reduced its own efforts, it would simply be an act by the State. If funds were denied them or held back, our action would only be with respect to Federal appropriations.

I do not see how it would control anything within the State.

I close by making my appeal for Federal aid upon grounds which are, I think, well known, but I do feel that they are important.

I do not have to call attention to the fact that the state of illiteracy is pretty shameful in our country. It is pretty shameful for this country with our position and wealth in the world.

I call attention to the problem of delinquency and crime in this country.

I am sure some of it stems from a lack of education, although sometimes those who have chances for education are among the delinquent group.

I call attention to the rather startling record of refusals of men and women who try to get into the armed services who cannot meet the rather easy requirements to get into the armed services.

I know, because I got in myself at one time at the age of 41.

And those are, I think, rather shameful blots on our country.

I think this is a start to help remove those weaknesses in our own country.

I think also that in the technical scientific age in which we are living, that you have to have better educated men and women for our security, for the sake of our economy, and to keep our country ahead in the world.

We can have all the programs we want over in the Congress for defense, crash programs, spend money and all that. But it is not going to provide the men and women, the brains and educational qualifications, that are needed to keep this country ahead, or even to make it live up to its promise.

And, as I see it, education is a national imperative.

And, finally, I know there is a great tendency now to quote Senator Taft, and I think at times we take advantage of it; I feel that at times.

But, nevertheless, he considered this subject for a long time and he finally became wedded to the idea that this equality of educational opportunity was a prime necessity for the maintenance of our democratic system and our republican system.

He was the chairman of the committee when we reported the bill in 1947, and this is what the report said, and I am sure, knowing him as we all did, that the report would not have been made unless he approved it.

He said the same thing on the floor in different form during the debate.

Democracy cannot function, nor can it carry its heavy international responsibilities, unless all citizens obtain the basic education to permit intelligent and informed participation in the work and life of the Nation. Our children are facing today a tremendously complex world. There are serious economic problems and social problems requiring intelligent solution.

There is international unrest, and there are many other problems which, to be properly met, require the best training and education our children can possibly be given. It is evident that millions of them are not getting this now.

I think that was a correct statement then in 1947, and it has even more significance now.

For these general reasons—and I say philosophical reasons—I have always supported Federal aid to education bills.

Senator MORSE. Senator Cooper, I want to thank you very much for this very able testimony.

I want you to know that I think there are many features of the Cooper bill that deserve the very careful consideration of this subcommittee from the standpoint of including them, in principle, within the final bill that the committee may report.

I think you have made in the introduction of this bill and your statement in support of your own bill another distinct contribution on this whole subject matter, as you have so many times in years past.



The Senator from Texas?

Senator YARBOROUGH. Senator Cooper, we appreciate your patience in waiting. You can be reached. We appreciate your work on this vital subject on education, and I particularly appreciate your pointing out here that this is one of the most urgent problems before this country.

However we decide it, whether at the State level as Senator Goldwater so devotedly believes in, or some Federal aid as some of us believe should be done, or by whatever means we do it, I am glad that you have pointed out the importance of this as contrasted with other programs or other expenditures.

I know from having served on this committee in 1958, when the National Defense Education Act was being considered, your long and cogent work in the cause of education.

I thank you for appearing here.

Senator GOLDWATER. Mr. Chairman?

Senator MORSE. Senator Goldwater?

Senator GOLDWATER. I want to take this opportunity to thank my good friend from Kentucky for being here. I think he is one of the most dedicated Senators we have, not only in his work that pertains to the problems of the Nation and of his State, but in his very sincere efforts to get at the bottom of problems.

While we disagree here and there, the disagreement is always a pleasant one.

Senator Cooper, you said that there would be no assurance that the money that my program would leave at home would be spent for this purpose.

I have to admit that there would not be, nor would I want to make by Executive fiat or legislative fiat the compulsory spending of this money for any purpose.

I give you a reason.

It totals about \$31¼ billion a year, which is considerably in excess of what the President is asking for.

We already have about the same amount that we keep home because of similar deductions.

Now, let us take a State that is current on its educational needs. They are meeting the building needs; their teachers' salaries are up; everything is going along fine.

They may decide that they need a new sewer system in that city or they need some new roads or they need some public buildings.

I would leave the determination entirely to the local level where I think it should be.

I have great faith in the American people and in their adherence to their responsibilities to educate their children, and I think this is borne out by the record.

For example, in 1960 and 1961, there were about \$16.5 billion spent in education in this country.

That was an increase over the previous year of 7.8 percent, and it was an increase over 1950 and 1951 of 152 percent.

In fact, I think you mentioned 4 percent. I did not get whether you were talking of 4 percent of the national income or—

Senator COOPER. No; 4 percent of the income State by State against the average of income by—

Senator GOLDWATER. At the present time we are spending at the rate of 6 percent, and, in fact, we are spending at a higher rate than most any other country.

Every evidence points to the fact that the local people can do this job. In fact; an indication of that is the relatively low amount that has been asked for this program; where there has been \$16.5 billion spent last year with an average increase, I would say, roughly in the nature of 6 percent, we are asking only for about \$750 million a year.

That does not indicate to me that the President thinks that this is of such a sufficient magnitude—I mean that the problem is of such sufficient magnitude that he would ask for more money.

If he felt this was really a problem that could not be solved at the local level, I would expect him to ask for money in the nature of maybe \$5 billion a year.

We find, for example, he wants us to build classrooms at the rate of 60,000 a year.

We have been building them at the rate of 69,700 a year, and actually, as we learned the other day from Secretary Ribicoff, that the hump, so to speak, has either been reached or we are approaching it where the increase over the last 10 years in school population has been 46 percent, and it was Secretary Ribicoff's testimony, I believe, that said it would be 22 percent in the next 10 years.

So we are, in effect, over the hump. And the local people will be even more able to take care of their school needs.

Now, regarding the problem of the low-income States, I do not know if you were in the room when I stated that I think it is wrong for us to pin this determination on per capita income or per pupil income.

Actually, the sources of these moneys come from property taxes, and I wish we were able to say what each State's property valuation really is.

We are looking for such statistics. I am sure some place around this city there must be these statistics. We do not take this money out of taxes on income.

In some States they do it with sales tax, but generally it comes out of property tax.

Now, four-fifths of the increase in school enrollment between 1955 and 1957 has and will occur in the States with above-average per capita income, but only 6 percent of the enrollment increase will be in the 12 lowest income States. This is one of the reasons I am against the approach of the administration bill.

It actually penalizes the States that have the biggest problem and benefit to a substantial extent those with a minimum problem.

I think we keep getting back to this demonstration of the figures available from the National Education Association, HEW, and all the other sources, that the educational problems of the country at the primary and elementary level have been and are being met.

No, one further word.

You touched on this, and I am glad you did: The inability of our youth to pass a relatively easy intelligence test of the Armed Services.

This, to me, spells out the whole problem we are faced with. It is one of quality. It is not one of just turning the handle and grinding out students with diplomas on the other end.

I decry, for example, the low estate of curricula in the high schools of this country.

I recall and you can recall when we went to high school, we were exposed to algebra, geometry, both plane and solid, trigonometry, and in some cases a little calculus, physics, and chemistry.

Senator COOPER. "Exposed" is a pretty good word.

Senator GOLDWATER. I use that because I can remember the difficulty I had getting through it.

History, Latin, modern languages, English.

Today—and I hope she never reads this—but I have one daughter left in high school, and she passed the college entrance exams the other day, and she takes four subjects, and one of them is agriculture.

I do not know what she is ever going to do with agriculture, but she is taking it. She has too much time on her hands.

The curriculum of the school is not up—baton twirling, tennis, the frivolities, and all of the things they are exposed to today, that does not prepare them for college.

I think we should direct our concern in this committee to doing what we can to urge the States to raise their standards, and you and I have sat in most all of these hearings in the 9 years we have been together.

I have heard and remember that most of the testimony given by the top educators in this country has been to the effect that we need better quality in the high schools, and to this end I think that the Federal Government might encourage the formulation of standards.

Not that they would require the States to use them, but they would set standards that the States could use, if they wanted to improve their curricula.

In that area I could go along with Federal activity in creating what we must have in order to prepare a boy successfully for college.

So my approach is, if we need money, it is obvious that the people at the local level have been willing to spend it and are willing to spend it and will spend it.

Senator COOPER. I will respond briefly to two or three things that you mentioned.

First, you said that some States were spending 6 percent of their income on education. I think that includes school construction, bond issues, and all that.

The information that I have—and I think it is accurate—is that the average in the United States is 2.8 percent, and only 32 of the States exceed 2.8 percent.

As I said, 16 of them are in the 18 at the lowest level of expenditures per child.

Now, you said that the fact that this bill did not provide larger funds was an indication—I think that is your argument—that it was not really needed. I think that that might appear as a valid argument if we thought that this money was just going to go to every school in every State and raise the expenditures in every school district.

I point out that that is not its purpose. It is to go to those States which have the greatest need and within the States to go to those school districts which have the greatest need.

The third point I make is quality. I would agree with you that the greater efforts should be made by State boards of education, by local

boards of education, to raise standards in curriculums, in teaching standards, in qualifications to be graduated from high school, and also the qualifications to enter college.

I think progress is being made.

But unless you have better teaching and teachers who can teach some of these courses that we had 30 or 40 years ago—40, I guess, for me—you cannot start with that kind of teaching in the high schools, the sciences, languages, that I admit we used to have.

My final point is this:

That we can all be theoretical about expenditures and whether or not they are needed. But I think any person, any Member of the Congress, only has to ride through his own State and go into the different counties, go into the school districts.

Certainly, there is a tremendous disparity in schools in every State.

I first started looking at schools in my own county and throughout my State, when I first ran for office. I was about 25 years old.

I am really shocked to go through the State now and see this disparity: Wonderful schools in some of our cities, and back out in the country we have still got one- and two-room schoolhouses that are in bad repair, and teachers who are really not qualified even by our own laws to teach.

I know my own State is making a great effort. We have levied a sales tax and we are making as great an effort as Ohio, for example, but we cannot meet the needs of our people.

Senator GOLDWATER. Mr. Chairman, because I am interested in these figures, I would like to ask if the Chair will allow me to insert at this point the compilation figures that I have quoted that come from the Office of Education Statistical Summary of Education, 1955-56; the U.S. Office of Education, "Progress of Public Education in the United States"; and also with those figures—while we did not discuss these other figures, they are interesting—corporate profits and national income, U.S. Department of Commerce Survey of Current Business, July 1959.

Senator MORSE. The information will be inserted in the record at this point.

(The documents referred to follow:)

All three bills confer upon State departments of education sweeping and unprecedented powers in the determination of criteria and the distribution of Federal funds among the school districts in their respective States. The distribution formulas (which for State aid are set by State law) will be decided for Federal funds by State departments of education. Particularly S. 1016 and S. 8 would also expand the powers of the U.S. Commissioner of Education.

Under all three bills Federal funds will supply only a fraction of total outlays for school construction. Applications from school districts for Federal funds may be expected to exceed State allocations. Thus it seems likely that school districts which cannot be accommodated in the allotment for any particular year will postpone their building plans until they become eligible.

The effect of the bills on the classroom and teacher situation are discussed in section III, following.

### III. FACTS AND FIGURES ON SCHOOL FINANCE

Proponents of Federal aid to education usually base their case on three factors (see: H.R. 22, sec. 2):

- (1) The schools are underfinanced;
- (2) There are serious shortages of classrooms and teachers;
- (3) The States are unable to provide the needed funds.

It is obviously impossible, within the framework of this analysis, to present a complete picture of school finance, current shortages, future needs and the fiscal capacity of the States. Only some of the highlights can be given.<sup>1</sup>

*Are the schools inadequately financed?*

The proponents of Federal aid to education point out that the funds allocated to the schools are woefully inadequate, that too small a share of the Nation's income is allocated to education, that industrial production and personal consumption have forged ahead while the schools have been left behind to subsist on a starvation diet.

The following tables show some of the basic statistical data:

TABLE 43.—*Educational expenditures<sup>1</sup> and enrollment, 1940-60*

School year	Expenditures	Enrollment (pupils)
	<i>Thousand dollars</i>	
1939-40.....	\$3,199,593	29,751,203
1949-50.....	\$8,795,635	31,319,271
1955-56.....	\$16,811,661	39,108,059
1959-60.....	\$24,000,000	46,480,000
Percent increase, 1940-60.....	642	56

<sup>1</sup> Includes public and nonpublic schools at all levels (elementary, secondary, and higher education).

Sources: 1940-56; U.S. Office of Education, Statistical Summary of Education, 1955-56. 1960, expenditures; estimate. Enrollment; U.S. Office of Education, release Aug. 30, 1959.

The table above shows that in the past 20 years enrollment in educational institutions increased 56 percent and expenditures 642 percent. Prices more than doubled during this period, but an enrollment growth of 56 percent was accompanied by an increase in educational expenditures of 253 percent computed in dollars of constant purchasing power.

There has been a consistent trend—interrupted only during wars and depressions—of increasing the share of the national income allocated to education.

TABLE 44.—*Expenditures for education as percent of national income, 1890-1960*

	Percent		Percent
1890.....	1.4	1950.....	4.1
1913.....	2.2	1956.....	5.1
1930.....	3.7	1960.....	6.0

Sources: 1890 and 1913, Roger A. Freeman, op. cit., p. 5; 1930 to 1956, U.S. Office of Education, Statistical Summary of Education, 1955-56; 1960, estimated.

The percentages of the national income allocated to education has multiplied more than four times since 1890 and increased 50 percent between 1950 and 1960.

Comparisons with other countries are, at best, approximations. However, UNESCO statistics indicate that almost all other countries allocate a smaller percentage of their national income to education. Russian expenditures for education in 1957 are officially reported at 78.9 billion rubles, the equivalent of \$7.8 billion. The Russian GNP has been estimated at 40 percent of that of the United States. From this it appears that the Soviets do not allocate a larger percentage of their GNP to education than does the United States.<sup>2</sup>

Growth in educational expenditures has outdistanced the advance in business profits and living standards. The earliest year for which most of the pertinent economic data are available from the Department of Commerce is 1929, the latest 1958 (as of the time of preparation of this report).

<sup>1</sup> The reader who desires more detailed information may refer to Roger A. Freeman, "School Needs in the Decade Ahead," the Institute for Social Science Research, Washington, D.C., 1958; the Commission on Intergovernmental Relations, "A Study Committee Report on Federal Responsibility in the Field of Education," Washington, D.C., 1955; the Committee for the White House Conference on Education, "A Report to the President," Washington, D.C., 1956.

<sup>2</sup> Claims that the Soviet Union devotes 13 percent of its GNP to education are based on a confusion between the budget and the GNP of the U.S.S.R. Actually 13 percent of the U.S.S.R. budget goes for educational-cultural activities.

TABLE 45.—*Educational expenditures,<sup>1</sup> corporate net profits, and national income, 1929 and 1958*

[Dollars in billions]

	Calendar year 1929 or school year 1929-30	Calendar year 1958 or school year 1958-59	Percent Increase
Expenditures for education.....	\$3.2	\$22.0	580
Corporate net profits.....	\$8.3	\$18.9	129
National income.....	\$87.8	\$366.2	317
Educational expenditures as percent of corporate net profits....	39.2	116.3	-----
Corporate net profits as percent of national income.....	9.4	5.2	-----
Educational expenditures as percent of national income.....	3.7	6.0	-----

<sup>1</sup> All education—public and private; elementary, secondary, and higher education.

Sources: Educational expenditures: U.S. Office of Education, Statistical Summary of Education 1955-56; U.S. Office of Education, Progress of Public Education in the U.S.A., 1958-59; corporate net profits and national income: U.S. Department of Commerce, Survey of Current Business, July 1959.

Between 1929 and 1958 expenditures for education grew 580 percent, corporate net profits 129 percent. Corporate profits declined sharply as a percent of national income (from 9.4 percent to 5.2 percent) while education jumped from 3.7 percent to 6 percent. Between 1929 and 1958 enrollment in education grew slightly faster than the population of the United States as a whole. The percentage of Americans enrolled in educational institutions climbed from 24.4 percent in 1929-30 to 25.8 percent in 1958-59. However, the percentage of the population attending public elementary and secondary schools declined from 21.1 percent to 20 percent, attendance in colleges and in private schools grew faster than the population.

Turning to the public elementary and secondary schools, we find that the rate of expenditure on these has gone up more rapidly than the living standard of the American people. The table below shows that over the past 30 years personal consumption expenditures per capita have increased 60 percent and public school expenditures per pupil 155 percent (measured in constant dollars).

Senator MORSE. I again want to thank the Senator very much for his testimony.

Senator COOPER. I would like to file for the record an explanation of the bill which I have introduced with others.

Senator MORSE. The explanation will be inserted in the record at this point.

(The document referred to follows:)

#### EDUCATIONAL OPPORTUNITIES ACT OF 1961

Remarks of Hon. John Sherman Cooper, of Kentucky, in the Senate of the United States, Tuesday, January 31, 1961

Mr. COOPER. Mr. President, I introduce, for appropriate reference, a bill best described by its title, "To authorize the appropriation of funds to assist the States in financing a minimum foundation program of public elementary and secondary school education, in order to more nearly equalize educational opportunities, improve teachers' salaries, construct schools, and otherwise improve the quality of such education."

I am very pleased that Senators Javits, Aiken, Fulbright, Anderson, Kuchel, Fong, and Wiley join me in the introduction of this bill.

I know that the administration will have its own bill, but I hope they will study this bill. It would advance equal educational opportunity throughout the country. I think it secures, as closely as any bill can, freedom of the States from Federal control. And it uses a formula which, I believe, deals fairly with all the States.

I ask unanimous consent that there be printed in the body of the Record an explanation of the bill, tables showing the estimated State allotments, and the text of the bill.



The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the statement, tables, and the bill will be printed in the Record.

The bill (S. 723) to authorize the appropriation of funds to assist the States in financing a minimum foundation program of public elementary and secondary school education, in order to more nearly equalize educational opportunities, improve teachers' salaries, construct schools, and otherwise improve the quality of such education, introduced by Mr. Cooper (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

(The statement, tables, and bill, presented by Mr. Cooper, are as follows:)

**EXPLANATION OF COOPER BILL PROVIDING A MINIMUM FOUNDATION PROGRAM FOR PUBLIC SCHOOL EDUCATION, WITH 4 YEARS OF FEDERAL ASSISTANCE TO THE STATES FOR SCHOOL CONSTRUCTION, TEACHERS' SALARIES, AND OTHER EDUCATIONAL NEEDS AS DETERMINED BY THE STATES**

"Equality of opportunity lies at the basis of the entire Republic. No child can begin to have equality of opportunity unless he has in his youth, above all, effective schooling" (S. Rept. No. 425, 80th Cong.).

"The purpose of this act is to assist the States in financing a minimum foundation program of public elementary and secondary school education designed to provide more nearly equal opportunities for the Nation's children by raising the quality of such education in the States and districts in greatest need of assistance" (sec. 2, 1961 Cooper bill).

**SHORT EXPLANATION**

This bill would assist the States in equalizing educational opportunity within and among the States through Federal allotments of \$20 per public school child, with larger amounts to those States which, after making a maximum reasonable effort to provide support for schools, would still be unable to guarantee a minimum educational program.

It is designed to give fair representation to the educational needs of every State, and to make it possible for those States which cannot now provide public school education approaching the national average to do so within 4 years.

The flat grants of \$20 per pupil in average daily attendance, for each of 4 years, could be used for emergency school construction, for better teachers' salaries, or to otherwise improve the quality of education in school districts in greatest need of assistance. These grants would help achieve equality of educational opportunity within the abler States.

The grants of more than \$20 per pupil, based on need, would help the low-income States bridge the gap between a fair allocation to education of their resources and the cost of adequate public school education. They would help equalize educational opportunities among the States, in the national interest.

These variable grants would go to the neediest States first, and would be used to raise the lowest levels of education first. The foundation goal would be reached in four annual steps, so that by 1965 every State could offer public school education equivalent to the present national average.

**MAINTAINING STATE EFFORT**

To receive an allotment, States must maintain at least their present level of public school current expenditures per child.

**APPLICATIONS AND STATE PLANS**

The States would submit an application to the Commissioner of Education containing a plan for use of the allotment in improving their public school education. The State plan must give priority to school systems in greatest need of assistance. The States would also submit an annual report on the use of the allotment toward accomplishing the objectives of their plans.

The plan-and-report feature should encourage development of a constructive program, and would present the State's accomplishment to public view. However, approval of the State plan would not be required as a condition of Federal assistance.



## ALLOCATION FORMULA

1. The minimum foundation for each State is computed as \$400 times the number of children in average daily attendance in public elementary and secondary schools. (\$325 first year, \$350 second year, \$375 third year.)

2. Four percent of total annual personal income (latest 3-year average) is taken as a fair measure of the State's resources available for education.

The State's allotment—or Federal share in the minimum foundation—is: (A) One-half the amount by which the minimum foundation (1) exceeds 4 percent of State income (2); or (B) \$20 per public school child, whichever is larger.

*Estimated cost*

	<i>Million</i>
1st year-----	\$710
2d year-----	790
3d year-----	890
4th year-----	1, 000
4-year cost-----	3, 390

The 4-year program contemplates Federal assistance amounting to \$80 per public school pupil for every State, which should be of substantial aid to emergency school construction and toward better teachers' salaries. Included in \$3,390 million total above, for this part of the program: \$2,680 million.

The remaining \$720 million represents the additional cost of equalization grants to the low-income States, at \$70, \$130, \$215, and \$305 million for the 4 years. Six States would receive amounts exceeding \$20 per pupil the first year; \$11 the second year; \$15 third year, and \$18 the fourth year. These estimates assume State income per child remains stable. If it increases, as seems likely, equalization amounts needed will decrease.

## NEED FOR EQUALIZATION

The best objective measure of the fiscal capacity of the States to provide any service is their total personal income, as computed annually by the Department of Commerce. The need for a national equalization plan for public school education arises from the fact that the personal income per pupil in some States—such as West Virginia, Tennessee, Alabama, North Carolina, Arkansas, South Carolina, and Mississippi—is one-third that of Delaware, New York, New Jersey, and Illinois, and in fact is only half the national average.

Even though these low-income States assign a substantially larger share of their State and local resources to education than do the more fortunate States, they cannot hope to achieve educational levels approaching the national average investment per pupil in teachers' salaries and operating expenses. For example, even if Mississippi were to raise its current expenditures for education from 3.3 percent of its income to 4 percent—a level reached by only 3 States and well above the national average of 2.8 percent—it could still afford a level of education scarcely more than half that of the national average, now about \$400 per pupil and a presently desirable goal.

Aid-to-education proposals which offer flat amounts such as \$25, \$30, or \$50 per child, or an average of \$20 per child weighted by a construction formula from \$12 in New York to \$30 in Mississippi, do not meet this basic problem. In South Carolina, for example, 4 percent of State income amounts to \$223 per child—about 55 percent of the desirable minimum State average—leaving a discouraging "education gap" of \$177 per child per year.

## EQUALIZATION PROPOSED

This bill proposes that the Federal Government contribute an amount equal to half the cost of bridging that gap—or approximately \$89 per public school pupil in South Carolina by the fourth year.

The equalization amounts for the other low-income States scale down to \$20 per pupil, according to the difference between 4 percent of their income and the goal of public school education averaging \$400 per child.

The \$400-per-child base would be reached in four annual steps. The first year it would be set at \$325—making additional funds available to the five or six lowest income States in amounts they could be expected to constructively use. The second-year base of \$360 would bring five of the next most critically needy

States into the equalization program. By the fourth year, 18 States having incomes less than approximately 75 percent of national average would be receiving grants larger than the basic \$20 per child—and in direct proportion to the gap between their resources and basic educational needs.

By allocating 4 percent of their income to current educational costs, and by sharing equally with the Federal Government the remaining cost of adequate public education, these States could by 1965 assure education averaging \$400 per child—approximately the present national average.

#### PRESERVATION OF STATE AND LOCAL CONTROL

Federal funds would be pooled with State education system funds, and could be used for any educational purpose for which State funds could legally and constitutionally be used.

Not only administration and control of the school systems, but determination of the financial level of education remains wholly with State and local governments under this bill. There would be no shadow of Federal control. The Federal and State responsibilities remain quite separate.

The formula used is essentially a yardstick for assigning the extent of Federal responsibility in making possible more nearly equal opportunities for all children. It avoids all Federal standards except the desirable expenditure-per-pupil goal implied by the formula itself.

This is accomplished by basing the Federal share not on what the State does spend, as in matching, but on the gap between the State's financial capacity and a standard of education measured in dollars.

The State may spend more or less than 4 percent of its income, as it is doing now. It may exceed the Federal contribution in closing the "education gap" and provide better-than-average schools. Or it may fail to match it—in which case its level of education, while improved, will continue to lag.

But the Federal assistance can provide a powerful incentive by making adequate levels of education possible in many areas for the first time. The foundation plan would say, in effect: "It is a Federal responsibility to help meet essential public-school costs which exceed a fair share of State and local resources. We will share with you the extra effort required to bring more nearly equal opportunities to every child, in the national interest."

#### FORMULA JUSTIFICATION

(A) The figure of \$400 as the minimum foundation for public school current expenditures (excluding capital outlay and interest) per child in average daily attendance, is approximately the present national average. With rising educational costs, and general acknowledgement that the national effort should be increased, this seems modest enough as a goal 4 years hence.

(B) The interim foundation figures of \$325, \$350, and \$375 per child in the first, second, and third years of the program were selected as reasonable steps toward the fourth-year goal—to prevent waste, to permit planning of expanded State programs, and to encourage greater State efforts over the 4-year period. The effect is to allocate equalization funds first to the neediest States, and to raise the lowest school standards first.

(C) The figure of 4 percent of income—as a measure of the State's capacity to meet basic educational needs—sets a high standard for State effort toward better levels of public education. Only New Mexico, South Dakota, and Louisiana now devote this proportion of their income to running their schools. Seven other States—Wyoming, North Dakota, Arizona, Utah, Montana, South Carolina, and Oregon—spend 3.5 percent or more; the national average is 2.8 percent and most of the higher income States spend less than 2.5 percent. While a low-income State would not have to spend 4 percent under the bill, it could not reach desirable levels of education even with Federal assistance without doing so.

(D) The figure of half as the Federal share. While it can be argued that Federal assistance should make up the entire difference between a reasonably large State-local effort and minimum standards, this proposal is for only half that amount, requiring still further efforts by the States to achieve education equivalent to the national average. Therefore, this plan may be considered conservative, and the minimum weighting for the lowest income States in any realistic approach to equalizing educational opportunity.

(E) The figure of \$20 per child in average daily attendance for States not in the lowest income group is similar to the amount voted by the Senate last year for school construction in needy districts and teachers' salaries, which, however, was weighted. The flat \$20-per-pupil grants in this bill do not penalize the States where educational costs per pupil and construction costs are higher, and which contribute a larger share of Federal revenues.

#### PRECEDENTS

The principles employed by this bill were recommended last year by the Committee for Economic Development in their study "Paying for Better Schools." It can be considered as combining the Taft equalization and flat-grant proposals.

This plan is analogous to the minimum foundation plans of many States, which combine equalization and flat-grant provisions and which have successfully raised levels of education within the means of the States. It is designed to give fair representation to the educational needs of every State, based on its number of students, and to contribute realistically toward equal opportunity and a minimum level of education for every child, in the national interest.

#### SHORT COMPARISON

Recent proposals which include aid for teachers' salaries have these terms, grants and estimated costs.

1961 Cooper bill: Salaries, construction and other. Four years, with continuing equalization grants. \$20 per pupil in ADA for most States; larger grants scaled to need for low-income States. First-year cost—\$700 million.

S. 8 (as passed Senate 1960): Salaries or construction. Two years. Average of \$20 per school-age child, weighted by State income from \$12 (New York) to \$30 (Mississippi). First-year cost—\$928 million.

Hovde task force, January 6, 1961: Salaries, construction or other. Continuing. \$30 per pupil in ADA; plus \$20 per pupil in States below 70 percent of national average income; plus \$20 per pupil to cities over 300,000 population. First-year cost—\$1,460 million.

Murray-Metcalf (S. 2; H.R. 22, 1959): Salaries or construction. Continuing. \$25 per school-age child first year; \$50 second year; \$75 third year; \$100 fourth and following years; (H.R. 22 as reported, \$25 for 4 years). First-year cost—\$1,126 million.

TABLE 46.—Cooper bill to provide a minimum foundation for public school education

## ESTIMATED STATE ALLOTMENTS PER CHILD

	1st year	2d year	3d year	4th year
New York.....	\$20.00	\$20.00	\$20.00	\$20.00
Delaware.....	20.00	20.00	20.00	20.00
Illinois.....	20.00	20.00	20.00	20.00
New Jersey.....	20.00	20.00	20.00	20.00
Connecticut.....	20.00	20.00	20.00	20.00
Rhode Island.....	20.00	20.00	20.00	20.00
Massachusetts.....	20.00	20.00	20.00	20.00
Alaska.....	20.00	20.00	20.00	20.00
Pennsylvania.....	20.00	20.00	20.00	20.00
Missouri.....	20.00	20.00	20.00	20.00
Maryland.....	20.00	20.00	20.00	20.00
Ohio.....	20.00	20.00	20.00	20.00
Nevada.....	20.00	20.00	20.00	20.00
Wisconsin.....	20.00	20.00	20.00	20.00
California.....	20.00	20.00	20.00	20.00
New Hampshire.....	20.00	20.00	20.00	20.00
Michigan.....	20.00	20.00	20.00	20.00
Indiana.....	20.00	20.00	20.00	20.00
Oregon.....	20.00	20.00	20.00	20.00
Washington.....	20.00	20.00	20.00	20.00
Minnesota.....	20.00	20.00	20.00	20.00
Nebraska.....	20.00	20.00	20.00	20.00
Wyoming.....	20.00	20.00	20.00	20.00
Colorado.....	20.00	20.00	20.00	20.00
Vermont.....	20.00	20.00	20.00	20.00
Iowa.....	20.00	20.00	20.00	20.00
Montana.....	20.00	20.00	20.00	20.00
Florida.....	20.00	20.00	20.00	20.00
Arizona.....	20.00	20.00	20.00	20.00
Kansas.....	20.00	20.00	20.00	20.00
Texas.....	20.00	20.00	20.00	20.00
Maine.....	20.00	20.00	20.00	20.00
Virginia.....	20.00	20.00	20.00	20.00
Hawaii.....	20.00	20.00	20.00	21.37
Oklahoma.....	20.00	20.00	20.00	20.95
North Dakota.....	20.00	20.00	23.82	30.32
Louisiana.....	20.00	20.00	29.16	41.66
South Dakota.....	20.00	20.00	29.22	41.72
Kentucky.....	20.00	20.00	30.14	42.64
Idaho.....	20.00	21.59	34.09	46.59
New Mexico.....	20.00	22.09	34.59	47.09
West Virginia.....	20.00	29.38	41.88	54.38
Georgia.....	20.00	29.86	42.36	54.86
Utah.....	20.00	31.75	44.25	56.75
Tennessee.....	21.13	33.63	46.13	58.63
Alabama.....	34.83	47.33	59.83	72.33
North Carolina.....	35.14	47.64	60.14	72.64
Arkansas.....	42.12	54.62	67.12	79.62
South Carolina.....	51.23	63.73	76.23	88.73
Mississippi.....	60.69	73.19	85.69	98.19

NOTE.—Allotments per child in average daily attendance in public elementary and secondary schools. Computed as  $\frac{1}{2}$  the difference between 4 percent of State personal income per child and the foundation level of \$325 1st year, \$350 2d year, \$375 3d year, \$400 4th year. Or, \$20 per child, whichever is larger.

Assumes State income per child remains the same in 2d, 3d, and 4th years. States ranked by personal income (3-year average 1957-59) per public school child (in ADA 1959-60). District of Columbia allotment: \$20 per child.—Table A, Jan. 1, 1961.

TABLE 47.—Cooper bill to provide a minimum foundation for public school education

## ESTIMATED STATE ALLOTMENTS

	1st year	2d year	3d year	4th year
New York.....	\$48,905,680	\$48,905,680	\$48,905,680	\$48,905,680
Delaware.....	1,457,840	1,457,840	1,457,840	1,457,840
Illinois.....	29,449,960	29,449,960	29,449,960	29,449,960
New Jersey.....	18,423,860	18,423,860	18,423,860	18,423,860
Connecticut.....	8,380,860	8,380,860	8,380,860	8,380,860
Rhode Island.....	2,292,200	2,292,200	2,292,200	2,292,200
Massachusetts.....	15,569,280	15,569,280	15,569,280	15,569,280
Alaska.....	721,140	721,140	721,140	721,140
Pennsylvania.....	34,964,360	34,964,360	34,964,360	34,964,360
Missouri.....	13,614,620	13,614,620	13,614,620	13,614,620
Maryland.....	10,493,760	10,493,760	10,493,760	10,493,760
Ohio.....	33,719,520	33,719,520	33,719,520	33,719,520
Nevada.....	1,122,660	1,122,660	1,122,660	1,122,660
Wisconsin.....	12,932,920	12,932,920	12,932,920	12,932,920
California.....	63,279,320	63,279,320	63,279,320	63,279,320
New Hampshire.....	1,889,720	1,889,720	1,889,720	1,889,720
Michigan.....	29,679,420	29,679,420	29,679,420	29,679,420
Indiana.....	16,719,420	16,719,420	16,719,420	16,719,420
Oregon.....	6,608,020	6,608,020	6,608,020	6,608,020
Washington.....	11,278,460	11,278,460	11,278,460	11,278,460
Minnesota.....	12,118,660	12,118,660	12,118,660	12,118,660
Nebraska.....	5,171,740	5,171,740	5,171,740	5,171,740
Wyoming.....	1,285,200	1,285,200	1,285,200	1,285,200
Colorado.....	6,757,240	6,757,240	6,757,240	6,757,240
Vermont.....	1,295,220	1,295,220	1,295,220	1,295,220
Iowa.....	10,598,740	10,598,740	10,598,740	10,598,740
Montana.....	2,656,000	2,656,000	2,656,000	2,656,000
Florida.....	17,217,740	17,217,740	17,217,740	17,217,740
Arizona.....	4,584,880	4,584,880	4,584,880	4,584,880
Kansas.....	8,558,780	8,558,780	8,558,780	8,558,780
Texas.....	36,736,260	36,736,260	36,736,260	36,736,260
Maine.....	3,574,420	3,574,420	3,574,420	3,574,420
Virginia.....	14,945,960	14,945,960	14,945,960	15,439,600
Hawaii.....	2,646,880	2,646,880	2,646,880	2,828,800
Oklahoma.....	9,270,180	9,270,180	9,270,180	13,881,800
North Dakota.....	2,421,860	2,421,860	2,884,937	4,398,600
Louisiana.....	12,618,160	12,618,160	18,395,250	26,281,600
South Dakota.....	2,731,940	2,731,940	3,991,937	5,699,400
Kentucky.....	11,088,280	11,088,280	16,712,625	23,642,800
Idaho.....	2,943,800	3,178,250	5,018,125	6,858,000
New Mexico.....	4,041,560	4,463,825	6,989,812	9,515,800
West Virginia.....	8,328,400	12,233,500	17,438,750	22,644,000
Georgia.....	15,786,060	23,568,025	33,434,312	43,300,600
Utah.....	4,283,540	6,800,975	9,478,187	12,155,400
Tennessee.....	15,197,138	24,189,225	33,181,312	42,173,400
Alabama.....	23,990,162	32,600,175	41,210,187	49,820,200
North Carolina.....	35,069,800	47,344,400	60,019,000	72,493,600
Arkansas.....	15,352,225	19,908,550	24,464,875	29,021,200
South Carolina.....	27,286,525	33,943,950	40,601,375	47,258,800
Mississippi.....	27,584,700	33,266,600	38,948,500	44,630,400
\$20 per child, United States.....	640,354,520	640,354,520	640,354,520	640,354,520
Equalization.....	69,324,770	131,258,315	213,369,808	305,781,500
Total.....	709,679,290	771,612,835	853,724,328	946,136,020

NOTE.—States ranked by income per public school child. States below the line receive equalization grants (more than \$20 per pupil). District of Columbia included in total, at \$2,034,220 each year.

Allotments computed as  $\frac{1}{4}$  the amount by which minimum foundation exceeds 4 percent of State income, or \$20 per public school child, whichever is larger. Minimum foundation is product of number of pupils in ADA in public elementary and secondary schools times \$325 1st year, \$350 2d year, \$375 3d year, \$400 4th year. Pupils for 1959-60 school year. State personal income, 3-year average 1957-59. Increase in school enrollment not projected.—Table B, Jan. 1, 1961.

TABLE 48.—*State comparison—income, public school pupils and current expenditures—supporting data for Cooper bill providing a minimum foundation for public schools*

	Annual personal income	Public school current expenditures	Current expenditures as percent of income	Public school pupils	Income per pupil	Present current expenditures per pupil
	<i>Thousands</i>	<i>Thousands</i>		<i>Thousands</i>		
New York.....	\$42,817,000	\$1,146,125	2.7	2,445	\$17,510	\$585
Delaware.....	1,259,000	28,842	2.3	73	17,272	460
Illinois.....	24,635,000	544,950	2.2	1,472	16,730	457
New Jersey.....	14,692,000	373,271	2.5	921	15,919	512
Connecticut.....	6,625,000	151,356	2.3	419	15,810	420
Rhode Island.....	1,752,000	40,540	2.3	115	15,287	417
Massachusetts.....	11,801,000	269,750	2.3	778	15,159	413
Alaska.....	540,000	16,441	3.0	36	14,976	585
Pennsylvania.....	23,949,000	620,191	2.6	1,748	13,699	421
Missouri.....	8,734,000	207,199	2.4	681	12,830	355
Maryland.....	6,717,000	166,143	2.5	525	12,802	415
Ohio.....	21,137,000	525,090	2.5	1,686	12,537	388
Nevada.....	694,000	18,770	2.7	56	12,363	435
Wisconsin.....	7,798,000	218,873	2.8	647	12,059	422
California.....	37,832,000	1,081,847	2.9	3,164	11,957	494
New Hampshire.....	1,125,000	27,468	2.4	94	11,907	363
Michigan.....	16,999,000	512,657	3.0	1,484	11,455	424
Indiana.....	9,349,000	264,927	2.8	836	11,183	373
Oregon.....	3,590,000	127,172	3.5	330	10,866	448
Washington.....	6,057,000	200,823	3.3	564	10,741	430
Minnesota.....	6,440,000	218,574	3.4	606	10,628	415
Nebraska.....	2,731,000	75,123	2.8	259	10,561	320
Wyoming.....	678,000	26,608	3.9	64	10,551	454
Colorado.....	3,537,000	106,246	3.0	338	10,469	407
Vermont.....	656,000	20,631	3.1	65	10,130	339
Iowa.....	5,255,000	172,527	3.3	530	9,916	400
Montana.....	1,313,000	47,547	3.6	133	9,887	427
Florida.....	8,468,000	227,837	2.7	861	9,836	310
Arizona.....	2,200,000	80,709	3.6	229	9,597	390
Kansas.....	4,097,000	131,650	3.2	428	9,574	384
Texas.....	17,242,000	535,798	3.1	1,837	9,387	330
Maine.....	1,648,000	42,516	2.6	179	9,221	326
Virginia.....	6,701,000	172,638	2.6	747	8,967	275
Hawaii.....	1,182,000	33,083	2.8	132	8,931	378
Oklahoma.....	3,941,000	129,987	3.3	464	8,503	320
North Dakota.....	991,000	38,264	3.9	121	8,184	345
Louisiana.....	4,995,000	202,624	4.1	631	7,917	370
South Dakota.....	1,081,000	42,741	4.0	137	7,914	350
Kentucky.....	4,362,000	116,216	2.7	554	7,868	276
Idaho.....	1,129,000	37,280	3.3	147	7,670	285
New Mexico.....	1,545,000	61,592	4.0	202	7,646	365
West Virginia.....	3,032,000	96,953	3.2	416	7,281	255
Georgia.....	5,728,000	190,430	3.3	789	7,257	236
Utah.....	1,534,000	56,849	3.7	214	7,162	340
Tennessee.....	5,085,000	146,365	2.9	719	7,069	228
Alabama.....	4,397,000	135,901	3.1	689	6,384	217
North Carolina.....	6,355,000	207,750	3.3	998	6,368	240
Arkansas.....	2,194,000	74,182	3.4	365	6,019	242
South Carolina.....	2,963,000	105,368	3.6	533	5,663	223
Mississippi.....	2,314,000	77,379	3.3	455	5,091	226
United States.....	361,896,000	10,153,803	2.8	31,916	11,339	390

NOTE.—Total annual personal income, 8-year average 1957–59. Current expenditures for full-time public elementary and secondary schools, 1957–58 school year. Current expenditures as percent of income, col. 2 divided by col. 1. Pupils in average daily attendance in full-time public elementary and secondary schools, 1959–60 school year. Income per pupil, col. 1 divided by col. 4.

Source: Department of Commerce; Office of Education. Present current expenditures per pupil, NEA estimate 1960–61 school year.

## S. 723

**A BILL** To authorize the appropriation of funds to assist the States in financing a minimum foundation program of public elementary and secondary school education, in order to more nearly equalize educational opportunities, improve teachers' salaries, construct schools and otherwise improve the quality of such education

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That this Act may be cited as the "Educational Opportunities Act of 1961."

## DECLARATION OF PURPOSE

**SEC. 2.** The purpose of this Act is to assist the States in financing a minimum foundation program of public elementary and secondary school education designed to provide more nearly equal opportunities for the Nation's children by raising the quality of such education in the States and school districts in greatest need of assistance.

## DEFINITIONS

**SEC. 3.** For the purpose of this Act—

(1) the term "Commissioner" means the United States Commissioner of Education;

(2) the term "State" includes Puerto Rico, Guam, the Virgin Islands, and the District of Columbia;

(3) the term "State education agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools;

(4) average daily attendance shall be determined in accordance with State law, and in determining Federal shares under section 4 for any fiscal year, the average daily attendance used shall be that of the second preceding fiscal year;

(5) total personal income of a State for the purpose of determining such State's Federal share under section 4 for any fiscal year shall be the average of the total annual personal income of such State for the calendar years ending in the second, third, and fourth preceding fiscal years, according to data available from the Department of Commerce;

(6) current expenditures per public elementary and secondary school child of a State shall be determined for any year by dividing the total expenditures during such year, excluding expenditures for interest, debt service, and capital outlay, and any amount received under the provisions of this Act, for public elementary and secondary school education by such State and all subdivisions thereof by the average daily attendance in the public elementary and secondary schools of such State during such year.

## MINIMUM FOUNDATION AND FEDERAL SHARE THEREIN

**SEC. 4.** (a) For the purpose of this Act, the minimum foundation for each fiscal year beginning on or after July 1, 1961, for public elementary and secondary school education in each State shall be the product of the average daily attendance in the public elementary and secondary schools in such State, as determined under section 3(4), multiplied by—

(1) \$325 for the fiscal year beginning July 1, 1961;

(2) \$350 for the fiscal year beginning July 1, 1962;

(3) \$375 for the fiscal year beginning July 1, 1963; or

(4) \$400 for the fiscal year beginning July 1, 1964, or for any fiscal year thereafter.

(b) The Federal share of such minimum foundation shall be—

(1) in the case of each such year beginning before July 1, 1965,

(A) one-half the amount by which such minimum foundation exceeds 4 percent of the total personal income for such State as determined under section 3(5), or

(B) the product of the average daily attendance in the public elementary and secondary schools in such State as determined under section 3(4) multiplied by \$20, whichever is larger, or

(2) in the case of each such year beginning on or after July 1, 1965, one-half the amount by which such minimum foundation exceeds 4 percent of the total personal income for such State as determined under section 3(5).

(c) Notwithstanding the provisions of subsection (b), the Federal share for Puerto Rico, Guam, and the Virgin Islands for the fiscal year beginning July 1, 1961, and each fiscal year thereafter, shall be such amount as is determined by the Commissioner to be necessary to carry out the purpose of this Act.



## PAYMENTS TO STATES AND USE THEREOF

SEC. 5. (a) For each fiscal year beginning on or after July 1, 1961, the Commissioner shall determine the Federal share for each State which has submitted an application for such year under the provisions of section 6 and which meets the requirements of section 7, and shall pay to the State education agency of such State an amount equal to such Federal share. Such payments shall be made from amounts appropriated for the purpose of this Act as soon as possible after such amounts become available for payment.

(b) If the amount appropriated for any fiscal year for payments to the States under the provisions of this Act is less than the total of the Federal shares for all States for such year, the payment to each State under the provisions of this Act for such year shall be an amount which bears the same ratio to such State's Federal share for such year as such amount appropriated bears to such total of Federal shares.

(c) Payments received under the provisions of this Act shall be available for disbursement by the State education agency, either directly or through payments to local public-school jurisdictions or other State public-education agencies, for any expenditure for elementary or secondary school purposes for which educational revenues derived from State or local sources may legally and constitutionally be expended by such State.

## APPLICATIONS AND PLANS

SEC. 6. The State education agency of each State which desires to receive a payment under the provisions of this Act shall submit an application to the Commissioner which—

(a) provides assurance that the State education agency shall be the sole agency for administering the funds received under the provisions of this Act;

(b) contains a plan for using such funds for public elementary and secondary school education purposes in order to provide for school building construction, increases in teacher's salaries, improvement in the quality of classroom instruction, additional instruction in science, mathematics, and languages, acquisition of improved school equipment, improvement in school administration, and other improvements in elementary and secondary school education consistent with the purpose of this Act, in addition to that which would be accomplished without funds provided under this Act, and with priority being given to the areas in the State having the greatest need; and

(c) sets forth procedures for such fiscal control as may be necessary to assure proper disbursement of funds received under this Act.

## CONDITION

SEC. 7. No State shall receive a payment under the provisions of this Act for any fiscal year unless the current expenditures per public elementary and secondary school child of such State for the second preceding fiscal year was at least equal to the average of the current expenditures per public elementary and secondary school child of such State for the third fiscal year preceding such year of payment and the fiscal year beginning July 1, 1959.

## REPORTS

SEC. 8. Each State receiving a payment for any fiscal year under the provisions of this Act shall submit to the Commissioner, not later than January 1 following the termination of such year, a report on how such payment was used, with particular emphasis on how it was used to accomplish the objectives of the State plan or otherwise to improve public elementary and secondary school education in the State.

## ASSURANCE AGAINST FEDERAL INTERFERENCE IN SCHOOLS

SEC. 9. In the administration of this Act, no department, agency, officer, or employee of the United States shall exercise any direction, supervision, or control over the policy determination, personnel, curriculum, program of instruction, or the administration or operation of any school or school system.

## APPROPRIATIONS AUTHORIZED

**SEC. 10.** There are authorized to be appropriated for the fiscal year beginning July 1, 1961, and each fiscal year thereafter, such amounts as may be necessary to carry out the provisions of this Act.

Senator MORSE. We stand in adjournment, until 2 o'clock.

(Whereupon, at 12:40 p.m., the subcommittee recessed, to reconvene at 2 p.m., the same day.)

## AFTERNOON SESSION

(The following members of the subcommittee were present during the afternoon session: Senators Morse (presiding), Case, and Goldwater. Also present: Senators Dirksen, member of the committee; Proxmire, of Wisconsin; and Engle, of California.

Senator MORSE. The hearing will come to order.

Prior to calling our first witness, I would like to have the record show that the Chair is having inserted in the record at the beginning of this afternoon's hearings a compilation of Public Law 815, 81st Congress, as amended, and a similar compilation of Public Law 874, 81st Congress, as amended.

(The document referred to follows:)

## U.S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

## OFFICE OF EDUCATION

Washington, D.C.

[Revised August 1960]

A COMPILATION OF PUBLIC LAW 815, EIGHTY-FIRST CONGRESS, AS AMENDED<sup>1</sup>

AN ACT Relating to the construction of school facilities in areas affected by Federal activities, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

## PURPOSE AND APPROPRIATION

**SECTION 1.** The purpose of this Act is to provide assistance for the construction of urgently needed minimum school facilities in school districts which have had substantial increases in school membership as a result of new or increased Federal activities. There are hereby authorized to be appropriated for the fiscal year ending June 30, 1959, and each fiscal year thereafter, such sums as the Congress may determine to be necessary for such purpose. Sums so appropriated, other than sums appropriated for administration, shall remain available until expended.

## PORTION OF APPROPRIATIONS AVAILABLE FOR PAYMENTS

**SEC. 2.** For each fiscal year the Commissioner shall determine the portion of the funds appropriated pursuant to section 1 which shall be available for carrying out the provisions of sections 9 and 10. The remainder of such funds shall be available for paying to local educational agencies the Federal share of the cost of projects for the construction of school facilities for which applications have been approved under section 6.

<sup>1</sup> Prepared by the U.S. Office of Education, Department of Health, Education, and Welfare, for use of its staff and interested applicants. P.L. 815 (81st Cong.) approved September 23, 1950, has been amended by the 83d Congress by P.L. 246, approved August 8, 1953; P.L. 357, approved May 11, 1954; P.L. 731, approved August 31, 1954; by the 84th Congress by P.L. 382, approved August 12, 1955; P.L. 896, approved August 1, 1956; P.L. 949, approved August 3, 1956; by the 85th Congress by P.L. 85-161 approved August 21, 1957; by P.L. 85-267, approved September 2, 1957; by P.L. 85-620, approved August 12, 1958; and by the 86th Congress by P.L. 86-70, approved June 25, 1959; by P.L. 86-449, approved May 6, 1960; and by P.L. 86-624, approved July 12, 1960.

## ESTABLISHMENT OF PRIORITIES

**SEC. 3.** The Commissioner shall from time to time set dates by which applications for payments under this Act with respect to construction projects must be filed, except that the last such date with respect to applications for payments on account of children referred to in paragraphs (2) or (3) of section 5(a) shall be not later than June 30, 1961. The Commissioner shall by regulation prescribe an order of priority, based on relative urgency of need, to be followed in approving applications in the event the funds appropriated under this Act and remaining available on any such date for payment to local educational agencies are less than the Federal share of the cost of the projects with respect to which applications have been filed prior to such date (and for which funds under this Act have not already been obligated). Only applications meeting the conditions for approval under this Act (other than section 6(b)(2)(C)) shall be considered applications for purposes of the preceding sentence.

## FEDERAL SHARE FOR ANY PROJECT

**SEC. 4.** Subject to section 5 (which imposes limitations on the total of the payments which may be made to any local educational agency), the Federal share of the cost of a project under this Act shall be equal to such cost, but in no case to exceed the cost, in the school district of the applicant, of constructing minimum school facilities, and in no case to exceed the cost in such district of constructing minimum school facilities for the estimated number of children who will be in the membership of the schools of such agency at the close of the increase period and who will otherwise be without such facilities at such time. For the purposes of the preceding sentence, the number of such children who will otherwise be without such facilities at such time shall be determined by reference to those facilities which (1) are built or under contract as of the date on which the Commissioner set, under section 3, the earliest date on or before which the application for such project was filed, or (2) as of the date the application for such project is approved, are included in a project the application for which has been approved under this Act.

## LIMITATION ON TOTAL PAYMENTS TO ANY LOCAL EDUCATIONAL AGENCY

**SEC. 5.** (a) Subject to the limitations in subsections (c) and (d), the total of the payments to a local educational agency under this Act may not exceed the sum of the following:

(1) the estimated increase, since the base year, in the number of children residing on Federal property with a parent employed on Federal property (situated in whole or in part in the same State as the school district of such agency or within reasonable commuting distance from such school district), multiplied by 95 per centum of the average per pupil cost of constructing minimum school facilities in the State in which the school district of such agency is situated; and

(2) the estimated increase, since the base year, in the number of children residing on Federal property, or residing with a parent employed on Federal property (situated in whole or in part in the same State as the school district of such agency or within reasonable commuting distance from such school district), multiplied by 50 per centum of the average per pupil cost of constructing minimum school facilities in the State in which the school district of such agency is situated. A child of a parent who commenced residing in or near the school district of such an agency while assigned to employment, as a member of the Armed Forces on active duty, on Federal property (situated in whole or in part in the same State as the school district of such agency or within reasonable commuting distance from such school district) and who was subsequently assigned elsewhere on active duty as a member of the Armed Forces, shall continue to be considered as residing with a parent employed on such Federal property, for purposes of this paragraph and paragraph (1) of this subsection, for so long as the parent is so assigned; and

(3) the estimated increase, since the base year, in the number of children whose membership results directly from activities of the United States (carried on either directly or through a contractor), multiplied by 45 per centum of the average per pupil cost of constructing minimum school facilities in the State in which the school district of such agency is situated.

For purposes of this paragraph, the Commissioner shall not consider as activities of the United States those activities which are carried on in connection with real property excluded from the definition of Federal property by the last sentence of paragraph (1) of section 15, but shall (if the local educational agency so elects pursuant to subsection (b)) consider as children whose membership results directly from activities of the United States, children residing on Federal property or residing with a parent employed on Federal property.

In computing for any local educational agency the number of children in an increase under paragraph (1), (2), or (3), the estimated number of children described in such paragraph who will be in the membership of the schools of such agency at the close of the increase period shall be compared with the estimated number of such children in the average daily membership of the schools of such agency during the base year.

(b) If two or more of the paragraphs of subsection (a) apply to a child, the local educational agency shall elect which of such paragraphs shall apply to such child, except that, notwithstanding the election of a local educational agency to have paragraph (2) apply to a child instead of paragraph (1), the determination of the maximum amount for such agency under subsection (a) shall be made without regard to such election.

(c) A local educational agency shall not be eligible to have any amount included in its maximum by reason of paragraph (1), (2), or (3) of subsection (a) unless the increase in children referred to in such paragraph, prior to the application of the limitation in subsection (d), is at least twenty and is equal to at least 5 per centum in the case of paragraph (1) or (2), and 10 per centum in the case of paragraph (3), of the number of all children who were in the average daily membership of the schools of such agency during the base year, and unless, in the case of paragraph (3), the construction of additional minimum school facilities for the number of children in such increase will, in the judgment of the Commissioner, impose an undue financial burden on the taxing and borrowing authority of such agency: *Provided*, That children residing on any housing property which, prior to sale or transfer by the United States, was considered to be Federal property for the purposes of this Act, shall not be considered as having been federally connected in determining the eligibility of the local educational agency under this subsection.

(d) If (1) the estimated number of nonfederally connected children who will be in the membership of the schools of a local educational agency at the close of the increase period is less than (2) 107 per centum of the number of such children who were in the average daily membership of such agency during the base year, the total number of children counted for purposes of subsection (a) with respect to such agency shall be reduced by the difference between (1) and (2) hereof. For purposes of this subsection, all children in the membership of a local educational agency shall be counted as nonfederally connected children except children whose membership in the base year and increase period was compared in computing an increase which meets the requirements of subsection (c).

(e) Notwithstanding the provisions of subsections (c) and (d) of this section, whenever and to the extent that, in his judgment, exceptional circumstances exist which make such action necessary to avoid inequity and avoid defeating the purposes of this Act, the Commissioner may do any one or more of the following: (1) he may waive or reduce any percentage requirement or requirements in subsection (c); (2) he may waive the requirement contained in the first sentence of subsection (d) or reduce the percentage specified in clause (2) of such sentence.

(f) If—

(1) the first year of the increase period for an application made by a local educational agency constitutes the second year of the increase period for a previous application made by such agency under this Act, or under this Act as in effect January 1, 1958, and

(2) any payment has been or may be made to such agency on the basis of such previous application.

then, in determining under this section the total of the payments which may be made to such agency on the basis of the later application, the total number of children counted for purposes of paragraph (1), (2), or (3), as the case may be, of subsection (a) may not exceed—

(3) the number of children whose membership at the close of the increase period for the later application is compared with membership in the base year for purposes of such paragraph, minus

(4) the number of such children whose membership at the close of the increase period for the previous application was compared with membership in the base year for purposes of such paragraph.

#### APPLICATIONS

SEC. 6. (a) No payment may be made to any local educational agency under this Act except upon application therefor which is submitted through the appropriate State educational agency and is filed with the Commissioner in accordance with regulations prescribed by him.

(b) (1) Each application by a local educational agency shall set forth the project for the construction of school facilities for such agency with respect to which it is filed, and shall contain or be supported by—

(A) a description of the project and the site therefor, preliminary drawings of the school facilities to be constructed thereon, and such other information relating to the project as may reasonably be required by the Commissioner;

(B) assurance that such agency has or will have title to the site, or the right to construct upon such site school facilities as specified in the application and to maintain such school facilities on such site for a period of not less than twenty years after the completion of the construction;

(C) assurance that such agency has legal authority to undertake the construction of the project and to finance any non-Federal share of the cost thereof as proposed, and assurance that adequate funds to defray any such non-Federal share will be available when needed;

(D) assurance that such agency will cause work on the project to be commenced within a reasonable time and prosecuted to completion with reasonable diligence;

(E) assurance that the rates of pay for laborers and mechanics engaged in the construction will be not less than the prevailing local wage rates for similar work as determined in accordance with Public Law Numbered 403 of the Seventy-fourth Congress, approved August 30, 1935, as amended;

(F) assurance that the school facilities of such agency will be available to the children for whose education contributions are provided in this Act on the same terms, in accordance with the laws of the State in which the school district of such agency is situated, as they are available to other children in such school district; and

(G) assurance that such agency will from time to time prior to the completion of the project submit such reports relating to the project as the Commissioner may reasonably require.

(2) The Commissioner shall approve any application if he finds (A) that the requirements of paragraph (1) have been met and that approval of the project would not result in payments in excess of those permitted by sections 4 and 5, (B) after consultation with the State and local educational agencies, that the project is not inconsistent with overall State plans for the construction of school facilities, and (C) that there are sufficient Federal funds available to pay the Federal share of the cost of such project and of all other projects for which Federal funds have not already been obligated and applications for which, under section 3, have a higher priority: *Provided*, That the Commissioner may approve any application for payments under this Act at any time after it is filed and before any priority is established with respect thereto under section 3 if he determines that—

(i) on the basis of information in his possession, it is likely that the urgency of the need of the local educational agency is such that it would have a priority under section 3 which would qualify it for payments under this Act when such priorities are established, and

(ii) the number of children in the increase under section 5(a) is in large measure attributable to children who reside or will reside in housing newly constructed on Federal property.

(c) No application under this Act shall be disapproved in whole or in part until the Commissioner of Education has afforded the local educational agency reasonable notice and opportunity for hearing.

#### PAYMENTS

SEC. 7. (a) Upon approving the application of any local educational agency under section 6, the Commissioner of Education shall pay to such agency an amount equal to 10 per centum of the Federal share of the cost of the project.

After final drawings and specifications have been approved by the Commissioner of Education and the construction contract has been entered into, the Commissioner shall, in accordance with regulations prescribed by him and at such times and in such installments as may be reasonable, pay to such agency the remainder of the Federal share of the cost of the project.

(b) Any funds paid to a local educational agency under this Act and not expended for the purposes for which paid shall be repaid to the Treasury of the United States.

#### ADDITIONAL PAYMENTS

SEC. 8. Not to exceed 10 per centum of the sums appropriated pursuant to this Act for any fiscal year (exclusive of any sums appropriated for administration) may be used by the Commissioner, under regulations prescribed by him, to make grants to local educational agencies where (1) the application of such agencies would be approved under this Act but for the agencies' inability, unless aided by such grants, to finance the non-Federal share of the cost of the projects set forth in their applications, or (2) although the applications of such agencies have been approved, the projects covered by such applications could not, without such grants, be completed, because of flood, fire, or similar emergency affecting either the work on the projects or the agencies' ability to finance the non-Federal share of the cost of the projects. Such grants shall be in addition to the payments otherwise provided under this Act, shall be made to those local educational agencies whose need for additional aid is the most urgent and acute, and insofar as practicable shall be made in the same manner and upon the same terms and conditions as such other payments.

#### WHERE EFFECT OF FEDERAL ACTIVITIES WILL BE TEMPORARY

SEC. 9. Notwithstanding the preceding provisions of this Act, whenever the Commissioner determines that the membership of some or all of the children, who may be included in computing under section 5 the maximum on the total of the payments for any local educational agency, will be of temporary duration only, such membership shall not be included in computing such maximum. Instead, the Commissioner may make available to such agency such temporary school facilities as may be necessary to take care of such membership; or he may, where the local educational agency gives assurance that at least minimum school facilities will be provided for such children, pay (on such terms and conditions as he deems appropriate to carry out the purposes of this Act) to such agency for use in constructing school facilities an amount equal to the amount which he estimates would be necessary to make available such temporary facilities. In no case, however, may the amount so paid exceed the cost, in the school district of such agency, of constructing minimum school facilities for such children. The Commissioner may transfer to such agency or its successor all the right, title, and interest of the United States in and to any temporary facilities made available to such agency under this section (or section 309 of this Act as in effect January 1, 1958); any such transfer shall be without charge, but may be made on such other terms and conditions, and at such time as the Commissioner deems appropriate to carry out the purposes of this Act.

#### CHILDREN FOR WHOM LOCAL AGENCIES ARE UNABLE TO PROVIDE EDUCATION

SEC. 10. In the case of children who it is estimated by the Commissioner in any fiscal year will reside on Federal property at the end of the next fiscal year—

(1) if no tax revenues of the State or any political subdivision thereof may be expended for the free public education of such children; or

(2) if it is the judgment of the Commissioner, after he has consulted with the appropriate State educational agency, that no local educational agency is able to provide suitable free public education for such children, the Commissioner shall make arrangements for constructing or otherwise providing the minimum school facilities necessary for the education of such children. Such arrangements may also be made to provide, on a temporary basis, minimum school facilities for children of members of the Armed Forces on active duty, if the schools in which free public education is usually provided for such children are made unavailable to them as a result of official action by State or local governmental authority and it is the judgment of the Commis-



sioner, after he has consulted with the appropriate State educational agency, that no local educational agency is able to provide suitable free public education for such children. To the maximum extent practicable school facilities provided under this section shall be comparable to minimum school facilities provided for children in comparable communities in the State. This section shall not apply (A) to children who reside on Federal property under the control of the Atomic Energy Commission, and (B) to Indian children attending federally operated Indian schools. Whenever it is necessary for the Commissioner to provide school facilities for children residing on Federal property under this section, the membership of such children may not be included in computing under section 5 the maximum on the total of the payments for any local educational agency.

#### WITHHOLDING OF PAYMENTS

SEC. 11. (a) Whenever the Commissioner of Education, after reasonable notice and opportunity for hearing to a local educational agency, finds (1) that there is a substantial failure to comply with the drawings and specifications for the project, (2) that any funds paid to a local educational agency under this Act have been diverted from the purposes for which paid, or (3) that any assurance given in an application is not being or cannot be carried out, the Commissioner may forthwith notify such agency that no further payment will be made under this Act with respect to such agency until there is no longer any failure to comply or the diversion or default has been corrected or, if compliance or correction is impossible, until such agency repays or arranges for the repayment of Federal moneys which have been diverted or improperly expended.

(b) The final refusal of the Commissioner to approve part or all of any application under this Act, and the Commissioner's final action under subsection (a) of this section, shall be subject to judicial review on the record, in the United States court of appeals for the circuit in which the local educational agency is located, in accordance with the provisions of the Administrative Procedure Act.

#### ADMINISTRATION

SEC. 12. (a) In the administration of this Act, no department, agency, officer, or employee of the United States shall exercise any direction, supervision, or control over the personnel, curriculum, or program of instruction of any school or school system of any local or State educational agency.

(b) The Commissioner of Education shall administer this Act, and he may make such regulations and perform such other functions as he finds necessary to carry out the provisions of this Act.

(c) The Commissioner shall include in his annual report to the Congress, a full report of the administration of his functions under this Act, including a detailed statement of receipts and disbursements.

(d) With respect to compliance with and enforcement of the prevailing wage provisions of section 6(b)(1)(E), the Secretary of Labor shall prescribe appropriate standards, regulations, and procedures, which shall be observed by the agencies administering such provisions, and shall cause to be made by the Department of Labor such investigations as he deems desirable.

#### USE OF OTHER FEDERAL AGENCIES: TRANSFER AND AVAILABILITY OF APPROPRIATIONS

SEC. 13. (a) The Commissioner may delegate to any officer or employee of the Office of Education any of his functions under this Act, except the making of regulations. In carrying out his functions under this Act, the Commissioner of Education may also utilize the facilities and services of any other Federal department or agency and may delegate the performance of any of his functions, except the making of regulations, to any officer or employee of any other Federal department or agency. The Commissioner of Education shall exercise the authority contained in the preceding sentence whenever such exercise will avoid the creation within the Office of Education of a staff and facilities which duplicate existing available staffs and facilities. Any such utilization or delegation shall be pursuant to proper agreement with the Federal department or agency concerned; and payment to cover the cost thereof shall be made either in advance or by way of reimbursement, as may be provided in such agreement. Any delegation of functions or authority authorized under this section will not relieve the Commissioner of the responsibility placed on him by this Act.



(b) All Federal departments or agencies administering Federal property on which children reside, and all such departments or agencies principally responsible for Federal activities which may give rise to a need for the construction of school facilities, shall to the maximum extent practicable, comply with requests of the Commissioner for information he may require in carrying out the purposes of this Act.

(c) No appropriation to any department or agency of the United States, other than an appropriation to carry out this Act, shall be available for the same purpose as this Act; except that nothing in this subsection shall affect the availability of appropriations authorized, prior to September 23, 1950, for the construction of school facilities to be attended by Indian children or appropriations (1) for the construction of school facilities on Federal property under the control of the Atomic Energy Commission, (2) for the construction of school facilities which are to be federally operated for Indian children, or (3) for the construction of school facilities under the Alaska Public Works Act, approved August 24, 1949.

#### SCHOOL CONSTRUCTION ASSISTANCE IN OTHER FEDERALLY AFFECTED AREAS

SEC. 14. (a) If the Commissioner determines with respect to any local educational agency that—

(1) such agency is providing or, upon completion of the school facilities for which provision is made herein, will provide free public education for children who reside on Federal property, and whose membership in the schools of such agency has not formed and will not form the basis for payments under other provisions of this Act, and that the total number of such children represents a substantial percentage of the total number of children for whom such agency provides free public education or that the total number of such children who reside on Indian lands located outside the school district of such agency equals or exceeds 100;

(2) the immunity of such Federal property to taxation by such agency has created a substantial and continuing impairment of its ability to finance needed school facilities;

(3) such agency is making a reasonable tax effort and is exercising due diligence in availing itself of State and other financial assistance available for the purpose; and

(4) such agency does not have sufficient funds available to it from other Federal, State, and other local sources to provide the minimum school facilities required for free public education in its school district,

he may provide the additional assistance necessary to enable such agency to provide such facilities, upon such terms and in such amounts (subject to the provisions of this section) as the Commissioner may consider to be in the public interest: but such additional assistance may not exceed the portion of the cost of such facilities which the Commissioner estimates is attributable to children who reside on Federal property, and which has not been, and is not to be, recovered by the local educational agency from other sources, including payments by the United States under any other provisions of this Act or any other law. Notwithstanding the provisions of this subsection, the Commissioner may waive the percentage requirement in paragraph (1) in the case of any application for additional assistance on account of children who reside on Indian lands whenever, in his judgment, exceptional circumstances exist which make such action necessary to avoid inequity and avoid defeating the purposes of this section. Assistance may be furnished under this subsection without regard to paragraph (2) (but subject to the other provisions of this subsection and subsection (c)) to any local educational agency which provides free public education for children who reside on Indian lands located outside its school district. For purposes of this subsection "Indian lands" means Indian reservations or other real property referred to in the third sentence of section 15(1).

(b) There are hereby authorized to be appropriated for each fiscal year ending prior to July 1, 1961, such sums, not to exceed \$40,000,000 in the aggregate, as may be necessary to carry out the provisions of this section. There are also authorized to be appropriated such sums as may be necessary for administration of such provisions. Amounts so appropriated, other than amounts appropriated for administration, shall remain available until expended, except that after June 30, 1961, no agreement may be made to extend assistance under this section.

(c) No payment may be made to any local educational agency under subsection (a) except upon application therefor which is submitted through the appropriate State educational agency and is filed with the Commissioner in accordance with regulations prescribed by him, and which meets the requirements of section 6(b)(1). In determining the order in which such applications shall be approved, the Commissioner shall consider the relative educational and financial needs of the local educational agencies which have submitted approvable applications and the nature and extent of the Federal responsibility. No payment may be made under subsection (a) unless the Commissioner finds, after consultation with the State and local educational agencies, that the project or projects with respect to which it is made are not inconsistent with overall State plans for the construction of school facilities. All determinations made by the Commissioner under this section shall be made only after consultation with the appropriate State educational agency and the local educational agency.

(d) Amounts paid by the Commissioner to local educational agencies under subsection (a) may be paid in advance of, or by way of reimbursement for, work performed or purchases made pursuant to the agreement with the Commissioner under this section, and may be paid in such installments as the Commissioner may determine. Any funds paid to a local educational agency and not expended or otherwise used for the purposes for which paid shall be repaid to the Treasury of the United States.

(e) None of the provisions of sections 1 to 10, both inclusive, other than section 6(b)(1), shall apply with respect to determinations made under this section.

#### DEFINITIONS

SEC. 15. For the purposes of this Act—

(1) The term "Federal property" means real property which is owned by the United States or is leased by the United States, and which is not subject to taxation by any State or any political subdivision of a State or by the District of Columbia. Such term includes real property which is owned by the United States and leased therefrom and the improvements thereon, even though the lessee's interest, or any improvement on such property, is subject to taxation by a State or a political subdivision of a State or by the District of Columbia. Except for the purposes of section 10, such term also includes (A) real property held in trust by the United States for individual Indians or Indian tribes, and real property held by individual Indians or Indian tribes which is subject to restrictions on alienation imposed by the United States, and (B) any school which is providing flight training to members of the Air Force under contractual arrangements with the Department of the Air Force at an airport which is owned by a State or a political subdivision of a State. Notwithstanding the foregoing provisions of this paragraph, such term does not include (A) any real property used by the United States primarily for the provision of services or benefits to the local area in which such property is situated, (B) any real property used for a labor supply center, labor home, or labor camp for migratory farmworkers, (C) any real property under the jurisdiction of the Post Office Department and used primarily for the provision of postal services, or (D) any low-rent housing project held under title II of the National Industrial Recovery Act, the Emergency Relief Appropriation Act of 1935, the United States Housing Act of 1937, the Act of June 28, 1940 (Public Law 671, Seventy-sixth Congress), or any law amendatory of or supplementary to any of such Acts.

(2) The term "child" means any child who is within the age limits for which the applicable State provides free public education.

(3) The term "parent" includes a legal guardian or other person standing in loco parentis.

(4) The term "free public education" means education which is provided at public expense, under public supervision and direction, and without tuition charge, and which is provided as elementary or secondary school education in the applicable State.

(5) The membership of schools shall be determined in accordance with State law or, in the absence of State law governing such a determination, in accordance with regulations of the Commissioner; except that, notwithstanding any other provision of this Act, where the local educational agency of the school district in which any child resides makes or contracts to make a tuition payment for the free public education of such child in a school situated in another school district, for purposes of this Act the membership of such child, shall be held and considered—

(A) if the two local educational agencies concerned so agree, and if such agreement is approved by the Commissioner, as membership of a school of the local educational agency receiving such tuition payment;

(B) in the absence of any such approved agreement, as membership of a school of the local educational agency so making or contracting to make such tuition payment.

In any determination of membership of schools, children who are not provided free public education (as defined in paragraph (4)) shall not be counted.

(6) The average per pupil cost of constructing minimum school facilities in the State in which the school district of a local educational agency is situated shall be determined by the Commissioner of Education on the basis of the contract cost per square foot under contracts for the construction of school facilities (exclusive of costs of site improvements, equipment, and architectural, engineering, and legal fees) entered into in the State for the base year designated in the application, increased by a percentage estimated by the Commissioner to represent additional costs for site improvements, equipment, and architectural, engineering, and legal fees, and multiplied by a factor estimated by the Commissioner to represent the area needed per pupil in minimum school facilities. If the Commissioner finds that the information available for the State concerned for such preceding fiscal year is inadequate or not sufficiently representative, he shall determine such cost on the basis of such information as he has available and after consultation with the State educational agency. The cost of constructing minimum school facilities in the school district of a local educational agency shall be determined by the Commissioner, after consultation with the State and local educational agencies, on the basis of such information as may be contained in the application of such local educational agency and such other information as he may obtain.

(7) Estimates of membership, and all other determinations with respect to eligibility and maximum amount of payment, shall be made as of the time of the approval of the application for which made, and shall be made on the basis of the best information available at the time of such approval.

(8) The terms "construct", "constructing", and "construction" include the preparation of drawings and specifications for school facilities; erecting, building, acquiring, altering, remodeling, improving, or extending school facilities; and the inspection and supervision of the construction of school facilities.

(9) The term "school facilities" includes classrooms and related facilities; and initial equipment, machinery, and utilities necessary or appropriate for school purposes. Such term does not include athletic stadiums, or structures or facilities intended primarily for athletic exhibitions, contests, or games or other events for which admission is to be charged to the general public. Except as used in sections 9 and 10, such term does not include interests in land and offsite improvements.

(10) Whether or not school facilities are minimum school facilities shall be determined by the Commissioner, after consultation with the State and local educational agencies, in accordance with regulations prescribed by him.

(11) The term "local educational agency" means a board of education or other legally constituted local school authority having administrative control and direction of free public education in a county, township, independent, or other school district located within a State. Such term includes any State agency which directly operates and maintains facilities for providing free public education or which has responsibility for the provision of such facilities.

(12) The term "State educational agency" means the officer or agency primarily responsible for the State supervision of public elementary and secondary schools.

(13) The term "State" means a State, Puerto Rico, Guam, the Virgin Islands, or Wake Island.

(14) The terms "Commissioner of Education" and "Commissioner" mean the United States Commissioner of Education.

(15) The term "base year" means the regular school year preceding the fiscal year in which an application was filed under this Act or the regular school year preceding such school year, as may be designated in the application, except that in the case of an application based on children referred to in paragraph (2) or (3) of section 5(a), the base year shall in no event be later than the regular school year 1958-1959; and

(16) The term "increase period" means the period of two consecutive regular school years immediately following such base year.

U.S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, OFFICE OF EDUCATION

Washington 25, D.C.

[Revised, August 1960]

A COMPILATION OF PUBLIC LAW 874, EIGHTY-FIRST CONGRESS, AS AMENDED<sup>1</sup>

AN ACT To provide financial assistance for local educational agencies in areas affected by Federal activities, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

#### DECLARATION OF POLICY

SECTION 1. In recognition of the responsibility of the United States for the impact which certain Federal activities have on the local educational agencies in the areas in which such activities are carried on, the Congress hereby declares it to be the policy of the United States to provide financial assistance (as set forth in the following sections of this Act) for those local educational agencies upon which the United States has placed financial burdens by reason of the fact that—

- (1) the revenues available to such agencies from local sources have been reduced as the result of the acquisition of real property by the United States; or
- (2) such agencies provide education for children residing on Federal property; or
- (3) such agencies provide education for children whose parents are employed on Federal property; or
- (4) there has been a sudden and substantial increase in school attendance as the result of Federal activities.

#### FEDERAL ACQUISITION OF REAL PROPERTY

SEC. 2. (a) Where the Commissioner, after consultation with any local educational agency and with the appropriate State educational agency, determines for any fiscal year ending prior to July 1, 1961—

(1) that the United States owns Federal property in the school district of such local educational agency, and that such property (A) has been acquired by the United States since 1938, (B) was not acquired by exchange for other Federal property in the school district which the United States owned before 1939, and (C) had an assessed value (determined as of the time or times when so acquired) aggregating 10 per centum or more of the assessed value of all real property in the school district (similarly determined as of the time or times when such Federal property was so acquired); and

(2) that such acquisition has placed a substantial and continuing financial burden on such agency; and

(3) that such agency is not being substantially compensated for the loss of revenue resulting from such acquisition by (A) other Federal payments with respect to the property so acquired, or (B) increases in revenue accruing to the agency from the carrying on of Federal activities with respect to the property so acquired,

then the local educational agency shall be entitled to receive for such fiscal year such amount as, in the judgment of the Commissioner, is equal to the continuing Federal responsibility for the additional financial burden with respect to current expenditures placed on such agency by such acquisition of property, to the extent such agency is not compensated for such burden by other Federal payments with respect to the property so acquired. Such amount shall not

<sup>1</sup> Prepared by the U.S. Office of Education, Department of Health, Education, and Welfare, for use of its staff and interested applicants. P.L. 874 (81st Cong.) approved September 30, 1950, has been amended by the 83d Congress by P.L. 170, approved July 31, 1953; P.L. 248 approved August 8, 1953; P.L. 732, approved August 31, 1954; by the 84th Congress by P.L. 204, approved August 1, 1955; P.L. 221, approved August 4, 1955; P.L. 382, approved August 12, 1955; P.L. 896, approved August 1, 1956; P.L. 949, approved August 4, 1956; by the 85th Congress by P.L. 85-620, approved August 12, 1958; P.L. 85-900, approved September 2, 1958; and by the 86th Congress by P.L. 86-70, approved June 25, 1959; P.L. 86-449, approved May 6, 1960; and P.L. 86-624, approved July 12, 1960.

exceed the amount which, in the judgment of the Commissioner, such agency would have derived in such year, and would have had available for current expenditures, from the property acquired by the United States (such amount to be determined without regard to any improvements or other changes made in or on such property since such acquisition), minus the amount which in his judgment the local educational agency derived from other Federal payments with respect to the property so acquired and had available in such year for current expenditures.

(b) For the purposes of this section—

(1) The term "other Federal payments" means payments in lieu of taxes, and any other payments, made with respect to Federal property pursuant to any law of the United States other than this Act, and property taxes paid with respect to Federal property, whether or not such taxes are paid by the United States, but shall not include payments pursuant to contract or other arrangement under section 1 of the Act of April 16, 1934, commonly referred to as the Johnson-O'Malley Act (25 U.S.C., Sec. 452).

(2) Any real property with respect to which payments are being made under section 13 of the Tennessee Valley Authority Act of 1933, as amended, shall not be regarded as Federal property.

(c) Where the school district of any local educational agency shall have been formed at any time after 1938 by the consolidation of two or more former school districts, such agency may elect (at the time it files application under section 5) for any fiscal year to have (1) the eligibility of such local educational agency, and (2) the amount which such agency shall be entitled to receive, determined under this section only with respect to such of the former school districts comprising such consolidated school district as the agency shall designate in such election.

#### CHILDREN RESIDING ON, OR WHOSE PARENTS ARE EMPLOYED ON, FEDERAL PROPERTY

##### CHILDREN OF PERSONS WHO RESIDE AND WORK ON FEDERAL PROPERTY

SEC. 3. (a) For the purpose of computing the amount to which a local educational agency is entitled under this section for any fiscal year, the Commissioner shall determine the number of children who were in average daily attendance at the schools of such agency, and for whom such agency provided free public education, during such fiscal year, and who, while in attendance at such schools, resided on Federal property and (1) did so with a parent employed on Federal property situated in whole or in part in the same State as the school district of such agency or situated within reasonable commuting distance from the school district of such agency, or (2) had a parent who was on active duty in the uniformed services (as defined in section 102 of the Career Compensation Act of 1949).<sup>2</sup>

##### CHILDREN OF PERSONS WHO RESIDE OR WORK ON FEDERAL PROPERTY

(b) For the purpose of computing the amount to which a local educational agency is entitled under this section for any fiscal year ending prior to July 1, 1961, the Commissioner shall also determine the number of children (other than children to whom subsection (a) applies) who were in average daily attendance at the schools of a local educational agency, and for whom such agency provided free public education, during such fiscal year and who, while in attendance at such schools, either resided on Federal property, or resided with a parent employed on Federal property situated in whole or in part in the same State as such agency or situated within reasonable commuting distance from the school district of such agency. A child of a parent who commenced residing in or near the school district of such agency while assigned to employment, as a member of the Armed Forces<sup>3</sup> on active duty, on Federal property (situated in whole or in part in the same State as the school district of such agency or within reasonable commuting distance from such school district) and who was subsequently assigned elsewhere on active duty as a member of the Armed Forces, shall continue to be considered as residing with a parent employed on such Federal property for so long as the parent is so assigned elsewhere.

<sup>2</sup>Includes Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Services, and all regular and Reserve components thereof, the first five of which are also Armed Forces (63 Stat. 804; 14 U.S.C., Sec. 1).



(c) (1) The amount to which a local educational agency is entitled under this section for any fiscal year shall be an amount equal to (A) the local contribution rate (determined under subsection (d)) multiplied by (B) the sum of the number of children determined under subsection (a) and one-half of the number determined under subsection (b).

(2) No local educational agency shall be entitled to receive any payment for a fiscal year with respect to a number of children determined under subsection (a) or subsection (b), as the case may be, unless the number of children who were in average daily attendance during such year and to whom such subsection applies—

(A) is ten or more; and

(B) amounts to 3 per centum or more of the total number of children who were in average daily attendance during such year and for whom such agency provided free public education, except that such 3 per centum requirement need not be met by such agency for any period of two fiscal years which follows a fiscal year during which such agency met such requirement and was entitled to payment under the provisions of this section, but the payment, under the provisions of this section to such agency for the second fiscal year of any such two-year period during which such requirement is not met, shall be reduced by 50 per centum of the amount thereof.

For the purposes of this paragraph and paragraph (3), a local educational agency may count as children determined under subsection (b) any number of children determined under subsection (a). Notwithstanding the provisions of clause (B) of this paragraph, the Commissioner may waive the 3 per centum condition of entitlement contained in such clause whenever, in his judgment, exceptional circumstances exist which would make the application of such condition inequitable and would defeat the purposes of this Act.

(3) Notwithstanding the preceding provisions of this section, where the average daily attendance at the schools of any local educational agency during the fiscal year ending June 30, 1957, exceeded 35,000, such agency's percentage requirement for eligibility (as set forth in paragraph (2) of this subsection) shall be 6 per centum instead of 3 per centum (and the provisions of the last sentence of such paragraph (2) which relate to the lowering of the percentage requirement shall not apply): *Provided*, That this paragraph shall not apply to any agency or consolidated agencies which have qualified for payments under this Act before the date of enactment of this proviso, by virtue of having less than 35,000 average daily attendance during the fiscal year ending June 30, 1939.

(4) If—

(A) the amount computed under paragraph (1) for a local educational agency for any fiscal year, together with the funds available to such agency from State, local, and other Federal sources (including funds available under section 4 of this Act) is, in the judgment of the Commissioner, less than the amount necessary to enable such agency to provide a level of education equivalent to that maintained in the school districts of the State which, in the judgment of the Commissioner, are generally comparable to the school district of such agency;

(B) such agency is, in the judgment of the Commissioner, making a reasonable tax effort and exercising due diligence in availing itself of State and other financial assistance;

(C) not less than 50 per centum of the total number of children who were in average daily attendance at the schools of such agency, and for whom such agency provided free public education, during such fiscal year resided on Federal property; and

(D) the eligibility of such agency under State law for State aid with respect to the free public education of children residing on Federal property, and the amount of such aid, is determined on a basis no less favorable to such agency than the basis used in determining the eligibility of local educational agencies for State aid, and the amount thereof, with respect to the free public education of other children in the State,

the Commissioner may increase the amount computed under paragraph (1) to the extent necessary to enable such agency to provide a level of education equivalent to that maintained in such comparable school districts; except that this paragraph shall in no case operate to increase the amount computed for any fiscal year under paragraph (1) for a local educational agency above the amount determined by the Commissioner to be the cost per pupil of providing a level of education equivalent to that maintained in such comparable school districts, multiplied by the number of children who were in average daily

attendance at the schools of such agency, and for whom such agency provided free public education, during such year, and who resided on Federal property during such year, minus the amount of State aid which the Commissioner determines to be available with respect to such children for the year for which the computation is being made

(5) The determinations whether a local educational agency has met the percentage requirements for eligibility under paragraphs (2), (3), and (4) of this subsection for any fiscal year shall be made on the basis of estimates by the Commissioner made prior to the close of such year, except that an underestimate made by the Commissioner pursuant to the foregoing provisions of this sentence shall not operate to deprive an agency of its entitlement to any payments under this section to which it would be entitled had the estimate been accurate.

(d) The local contribution rate for a local educational agency (other than a local educational agency in Puerto Rico, Wake Island, Guam, or the Virgin Islands, or in a State in which a substantial proportion of the land is in unorganized territory for which a State agency is the local educational agency, or in a State in which there is only one local educational agency) for any fiscal year shall be computed by the Commissioner of Education, after consultation with the State educational agency and the local educational agency, in the following manner:

(1) he shall determine which school districts within the State are in his judgment generally comparable to the school district of the agency for which the computation is being made; and

(2) he shall then divide (A) the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which he is making the computation, which the local educational agencies of such comparable school districts made from revenues derived from local sources, by (B) the aggregate number of children in average daily attendance to whom such agencies provided free public education during such second preceding fiscal year.

The local contribution rate shall be an amount equal to the quotient obtained under clause (2) of this subsection. If, in the judgment of the Commissioner, the current expenditures in those school districts which he has selected under clause (1) are not reasonably comparable because of unusual geographical factors which affect the current expenditures necessary to maintain, in the school district of the local educational agency for which the computation is being made a level of education equivalent to that maintained in such other districts, the Commissioner may increase the local contribution rate for such agency by such amount as he determines will compensate such agency for the increase in current expenditures necessitated by such unusual geographical factors. In no event shall the local contribution rate for any local educational agency in any State (other than Puerto Rico, Wake Island, Guam, or the Virgin Islands) for any fiscal year be less than (i) 50 per centum of the average per pupil expenditure in such State, or (ii) 50 per centum of the average per pupil expenditure in the United States (which for purposes of this sentence and the next sentence means the fifty States and the District of Columbia), but not to exceed the average per pupil expenditure in the State: *Provided*, That if, for the fiscal year ending June 30, 1959, the application of clause (ii) of this sentence results in a lower local contribution rate than resulted from the application of such clause during the fiscal year ending June 30, 1958, as such clause was then in effect, then such clause, as in effect during the fiscal year ending June 30, 1958, shall be in effect during the fiscal year ending June 30, 1959. For the purposes of the preceding sentence the "average per pupil expenditure" in a State, or in the United States, shall be the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made, of all local educational agencies in the State, or in the United States, as the case may be (without regard to the sources of funds from which such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding fiscal year. The local contribution rate for any local educational agency in Puerto Rico, Wake Island, Guam, or the Virgin Islands, or in any State in which a substantial proportion of the land is in unorganized territory for which a State agency is the local educational agency, or in any State in which there is only one local educational agency, shall be determined for any fiscal year by the Commissioner in accordance with policies and principles which will, in his judgment, best effectuate the purposes of this Act and most nearly approximate the policies and principles provided herein for determining local contribution rates in other States.



## CERTAIN FEDERAL CONTRIBUTIONS TO BE DEDUCTED

(e) In determining the total amount which a local educational agency is entitled to receive under this section (other than subsection (c) (4) thereof) for a fiscal year, the Commissioner shall deduct (1) such amount as he determines such agency derived from other Federal payments (as defined in section 2(b) (1)) and actually had available in such year for current expenditures (but only to the extent such payments are not deducted under the last sentence of section 2(a); and, in the case of Federal payments representing an allotment to the local educational agency from United States Forestry Reserve funds, Taylor Grazing Act funds, United States Mineral Lease Royalty funds, Migratory Bird Conservation Act funds, or similar funds, only to the extent that children who reside on or with a parent employed on the property with respect to which such funds are paid are included in determining the amount to which such agency is entitled under this section), and (2) such amount as he determines to be the value of transportation and of custodial and other maintenance services furnished such agency by the Federal Government during such year.

## ADJUSTMENT FOR CERTAIN DECREASES IN FEDERAL ACTIVITIES

(f) Whenever the Commissioner determines that—

(1) a local educational agency has made preparations to provide during a fiscal year free public education for a certain number of children to whom subsection (a) or (b) applies;

(2) such preparations were in his judgment reasonable in the light of the information available to such agency at the time such preparations were made; and

(3) such number has been substantially reduced by reason of a decrease in or cessation of Federal activities or by reason of a failure of any of such activities to occur.

the amount to which such agency is otherwise entitled under this section for such year shall be increased to the amount to which, in the judgment of the Commissioner, such agency would have been entitled but for such decrease in or cessation of Federal activities or the failure of such activities to occur, minus any reduction in current expenditures for such year which the Commissioner determines that such agency has effected, or reasonably should have effected, by reason of such decrease in or cessation of Federal activities or the failure of such activities to occur.

## SUDDEN AND SUBSTANTIAL INCREASES IN ATTENDANCE

## INCREASES HEREAFTER OCCURRING

SEC. 4. (a) If the Commissioner determines for any fiscal year ending prior to July 1, 1961—

(1) that, as a direct result of activities of the United States (carried on either directly or through a contractor), an increase in the number of children in average daily attendance at the schools of any local educational agency has occurred in such fiscal year, which increases so resulting from activities of the United States is equal to at least 5 per centum of the difference between the number of children in average daily attendance at the schools of such agency during the preceding fiscal year and the number of such children whose attendance during such year resulted from activities of the United States (including children who resided on Federal property or with a parent employed on Federal property);

(2) that such activities of the United States have placed on such agency a substantial and continuing financial burden; and

(3) that such agency is making a reasonable tax effort and is exercising due diligence in availing itself of State and other financial assistance but is unable to secure sufficient funds to meet the increased educational costs involved,

then such agency shall be entitled to receive for such fiscal year an amount equal to the product of—

(A) the number of children which the Commissioner determines to be the increase, so resulting from activities of the United States, in such year in average daily attendance; and

(B) the amount which the Commissioner determines to be the current expenditures per child necessary to provide free public education to such additional children during such year, minus the amount which the Commissioner determines to be available from State, local, and Federal sources for such purpose (not counting as available for such purpose either payments under this Act or funds from local sources necessary to provide free public education to other children).

For the next fiscal year (except where the determination under the preceding sentence has been made with respect to the fiscal year ending June 30, 1961) such agency shall be entitled to receive 50 per centum of such product reduced by the amount of such product which is attributable to children with respect to whom such agency is, or upon application would be, entitled to receive any payment under section 3 for such fiscal year, but not to exceed for such year the amount which the Commissioner determines to be necessary to enable such agency, with the State, local, and other Federal funds available to it for such purpose, to provide a level of education equivalent to that maintained in the school districts in such State which in his judgment are generally comparable to the school district of such agency. The determinations whether an increase has occurred for purposes of clause (1) hereof and whether such increase meets the 5 per centum requirement contained in such clause, for any fiscal year, shall be made on the basis of estimates by the Commissioner made prior to the close of such year, except that an underestimate made by the Commissioner pursuant to the foregoing provisions of this sentence shall not operate to deprive an agency of its entitlement to any payments under this section to which it would be entitled had the estimate been accurate. The determination under clause (B) shall be made by the Commissioner after considering the current expenditures per child in providing free public education in those school districts in the State which, in the judgment of the Commissioner, are generally comparable to the school district of the local educational agency for which the computation is being made.

#### INCREASES HERETOFORE OCCURRING

(b) Subsection 4(b) is now obsolete.

#### COUNTING OF CERTAIN CHILDREN

(c) In determining under subsection (a) whether there has been an increase in attendance in any fiscal year directly resulting from activities of the United States and the number of children with respect to whom payment is to be made for any fiscal year, the Commissioner shall not count—

(A) children with respect to whom a local educational agency is, or upon application would be, entitled to receive any payment under section 3 for such fiscal year: *Provided*, That the Commissioner shall count for such purposes as an increase directly resulting from activities of the United States, an increase in the number of children who reside on Federal property or reside with a parent employed on Federal property, if the local educational agency files, in accordance with regulations of the Commissioner, its election that such increase be counted for such purposes instead of for the purposes of section 3; and

(B) children whose attendance is attributable to activities of the United States carried on in connection with real property which has been excluded from the definition of Federal property by the last sentence of paragraph (1) of section 9.

#### ADJUSTMENT FOR CERTAIN DECREASES IN FEDERAL ACTIVITIES

(d) Whenever the Commissioner determines that—

(1) a local educational agency has made preparations to provide during a fiscal year free public education for a certain number of children to whom subsection (a) applies;

(2) such preparations were in his judgment reasonable in the light of the information available to such agency at the time such preparations were made; and

(3) such number has been substantially reduced by reason of a decrease in or cessation of Federal activities or by reason of a failure of any of such activities to occur,

the amount to which such agency is otherwise entitled under this section for such year shall be increased to the amount to which, in the judgment of the Commissioner, such agency would have been entitled but for such decrease in or cessation of Federal activities or the failure of such activities to occur, minus any reduction in current expenditures for such year which the Commissioner determines that such agency has effected, or reasonably should have effected, by reason of such decrease in or cessation of Federal activities or the failure of such activities to occur.

#### CONSULTATION WITH STATE AND LOCAL AUTHORITIES

(e) All determinations of the Commissioner under this section shall be made only after consultation with the State educational agency and the local educational agency.

#### METHOD OF MAKING PAYMENTS

##### APPLICATION

SEC. 5. (a) No local educational agency shall be entitled to any payment under section 2, 3, or 4 of this Act for any fiscal year except upon application therefor, submitted through the State educational agency and filed in accordance with regulations of the Commissioner, which application gives adequate assurance that the local educational agency will submit such reports as the Commissioner may reasonably require to determine the amount to which such agency is entitled under this Act.

##### PAYMENT

(b) The Commissioner shall, subject to the provisions of subsection (c), from time to time pay to each local educational agency, in advance or otherwise, the amount which he estimates such agency is entitled to receive under this Act. Such estimates shall take into account the extent (if any) to which any previous estimate of the amount to be paid such agency under this Act (whether or not in the same fiscal year) was greater or less than the amount which should have been paid to it. Such payments shall be made through the disbursing facilities of the Department of the Treasury and prior to audit or settlement by the General Accounting Office.

#### ADJUSTMENTS WHERE NECESSITATED BY APPROPRIATIONS

(c) If the funds appropriated for a fiscal year for making the payments provided in this Act are not sufficient to pay in full the total amounts which the Commissioner estimates all local educational agencies will be entitled to receive under this Act for such year, the Commissioner shall, subject to any limitation contained in the Act appropriating such funds, allocate such funds, other than so much thereof as he estimates to be required for section 6, among sections 2, 3, and 4(a) in the proportion that the amount he estimates to be required under each such section bears to the total estimated to be required under all such sections. The amount thus allocated to any such section shall be available for payment of a percentage of the amount to which each local educational agency is entitled under such section (including, in the case of section 3, any increases under subsection (c)(4) thereof), such percentage to be equal to the percentage which the amount thus allocated to such section is of the amount to which all such agencies are entitled under such section. In case the amount so allocated to a section for a fiscal year exceeds the total to which all local educational agencies are entitled under such sections for such year or in case additional funds become available for carrying out such sections, the excess, or such additional funds, as the case may be, shall be allocated by the Commissioner, among the sections for which the previous allocations are inadequate, on the same basis as it provided above for the initial allocation.

#### CHILDREN FOR WHOM LOCAL AGENCIES ARE UNABLE TO PROVIDE EDUCATION

SEC. 6. (a) In the case of children who resides on Federal property—

(1) if no tax revenues of the State or any political subdivision thereof may be expended for the free public education of such children; or

(2) if it is the judgment of the Commissioner, after he has consulted with the appropriate State educational agency, that no local educational agency is able to provide suitable free public education for such children,

the Commissioner shall make such arrangements (other than arrangements with respect to the acquisition of land, the erection of facilities, interest, or debt service) as may be necessary to provide free public education for such children. Such arrangements to provide free public education may also be made for children of members of the Armed Forces on active duty, if the schools in which free public education is usually provided for such children are made unavailable to them as a result of official action by State or local governmental authority and it is the judgment of the Commissioner, after he has consulted with the appropriate State educational agency, that no local educational agency is able to provide suitable free public education for such children. To the maximum extent practicable, the local educational agency, or the head of the Federal department or agency, with which any arrangement is made under this section shall take such action as may be necessary to ensure that the education provided pursuant to such arrangement is comparable to free public education provided for children in comparable communities in the State, or, in the case of education provided under this section outside the continental United States, Alaska, and Hawaii, comparable to free public education provided for children in the District of Columbia. For the purpose of providing such comparable education, personnel may be employed without regard to the civil-service or classification laws. In any case where education was being provided on January 1, 1933, or thereafter under an arrangement made under this subsection for children residing on an Army, Navy (including the Marine Corps), or Air Force installation, it shall be presumed, for the purposes of this subsection, that no local educational agency is able to provide suitable free public education for the children residing on such installation, until the Commissioner and the Secretary of the military department concerned jointly determine, after consultation with the appropriate State educational agency, that a local educational agency is able to do so.

(b) In any case in which the Commissioner makes such arrangements for the provision of free public education in facilities situated on Federal property, he may also make arrangements for providing free public education in such facilities for children residing in any area adjacent to such property with a parent who, during some portion of the fiscal year in which such education is provided, was employed on such property, but only if the Commissioner determines after consultation with the appropriate State educational agency (1) that the provision of such education is appropriate to carry out the purposes of this Act, (2) that no local educational agency is able to provide suitable free public education for such children, and (3) in any case where in the judgment of the Commissioner the need for the provision of such education will not be temporary in duration, that the local educational agency of the school district in which such children reside, or the State educational agency, or both, will make reasonable tuition payments to the Commissioner for the education of such children. Such payments may be made either directly or through deductions from amounts to which the local educational agency is entitled under this Act, or both, as may be agreed upon between such agency and the Commissioner. Any amounts paid to the Commissioner by a State or local educational agency pursuant to this section shall be covered into the Treasury as miscellaneous receipts.

(c) In any case in which the Commissioner makes arrangements under this section for the provision of free public education in facilities situated on Federal property in Puerto Rico, Wake Island, Guam, or the Virgin Islands, he may also make arrangements for providing free public education in such facilities for children residing with a parent employed by the United States, but only if the Commissioner determines after consultation with the appropriate State educational agency (1) that the provision of such education is appropriate to carry out the purposes of this Act, and (2) that no local educational agency is able to provide suitable free public education for such children.

(d) The Commissioner may make an arrangement under this section only with a local educational agency or with the head of a Federal department or agency administering Federal property on which children reside who are to be provided education pursuant to such arrangement or, in the case of children to whom the second sentence of subsection (a) applies, with the head of any Federal department or agency having jurisdiction over the parents of some or all of such children. Except where the Commissioner makes arrangements pursuant to the second sentence of subsection (a), arrangements may be made under this section only for the provision of education in facilities of a local educational agency or in facilities situated on Federal property.

(e) To the maximum extent practicable, the Commissioner shall limit the total payments made pursuant to any such arrangement for educating children within the continental United States, Alaska, or Hawaii, to an amount per pupil which will not exceed the per pupil cost of free public education provided for children in comparable communities in the State. The Commissioner shall limit the total payments made pursuant to any such arrangement for educating children outside the continental United States, Alaska, or Hawaii, to an amount per pupil which will not exceed the amount he determines to be necessary to provide education comparable to the free public education provided for children in the District of Columbia.

(f) In the administration of this section, the Commissioner shall not exercise any direction, supervision, or control over the personnel, curriculum, or program of instruction of any school or school system.

#### ADMINISTRATION

SEC. 7. (a) In the administration of this Act, no department, agency, officer, or employee of the United States shall exercise any direction, supervision, or control over the personnel, curriculum, or program of instruction of any school or school system of any local or State educational agency.

(b) The Commissioner shall administer this Act, and he may make such regulations and perform such other functions as he finds necessary to carry out the provisions of this Act.

(c) The Commissioner shall include in his annual report to the Congress a full report of the administration of his functions under this Act, including a detailed statement of receipts and disbursements.

#### USE OF OTHER FEDERAL AGENCIES; TRANSFER AND AVAILABILITY OF APPROPRIATIONS

SEC. 8. (a) In carrying out his functions under this Act, the Commissioner is authorized, pursuant to proper agreement with any other Federal department or agency, to utilize the services and facilities of such department or agency, and, when he deems it necessary or appropriate, to delegate to any officer or employee thereof the function under section 6 of making arrangements for providing free public education. Payment to cover the cost of such utilization or of carrying out such delegated function shall be made either in advance or by way of reimbursement, as may be provided in such agreement. The Commissioner is authorized to delegate to any officer or employee of the Office of Education any of his functions under this Act except the making of regulations.

(b) All Federal departments or agencies administering Federal property on which children reside, and all such departments or agencies principally responsible for Federal activities which may occasion assistance under this Act, shall to the maximum extent practicable comply with requests of the Commissioner for information he may require in carrying out the purposes of this Act.

(c) Such portion of the appropriations of any other department or agency for the fiscal year ending June 30, 1951, as the Director of the Bureau of the Budget determines to be available for the same purposes as this Act, shall, except to the extent necessary to carry out during such year contracts made prior to the enactment of this Act, be transferred to the Commissioner for use by him in carrying out such purposes.

(d) No appropriation to any department or agency of the United States, other than an appropriation to carry out this Act, shall be available for the employment of teaching personnel for the provision of free public education for children in any State or for payments to any local educational agency (directly or through the State educational agency) for free public education for children, except that nothing in the foregoing provisions of this subsection shall affect the availability of appropriations for the maintenance and operation of school facilities (1) on Federal property under the control of the Atomic Energy Commission or (2) by the Bureau of Indian Affairs, or the availability of appropriations for the making of payments directed to be made by section 91 of the Atomic Energy Community Act of 1955, as amended, or the availability of appropriations under the Act of April 16, 1934, commonly referred to as the Johnson-O'Malley Act (25 U.S.C., Sec. 452).

## DEFINITIONS

SEC. 9. For the purposes of this Act—

(1) The term "Federal property" means real property which is owned by the United States or is leased by the United States, and which is not subject to taxation by any State or any political subdivision of a State or by the District of Columbia. Such term includes real property which is owned by the United States and leased therefrom and the improvements thereon, even though the lessee's interest, or any improvement on such property, is subject to taxation by a State or a political subdivision of a State or by the District of Columbia. Such term also includes, (A) except for purposes of section 6, real property held in trust by the United States for individual Indians or Indian tribes, and real property held by individual Indians or Indian tribes which is subject to restrictions on alienation imposed by the United States, (B) for one year beyond the end of the fiscal year in which occurred the sale or transfer thereof by the United States, any housing property considered prior to such sale or transfer to be Federal property for the purposes of this Act, and (C) any school which is providing flight training to members of the Air Force under contractual arrangements with the Department of the Air Force at an airport which is owned by a State or a political subdivision of a State. Notwithstanding the foregoing provisions of this paragraph, such term does not include (A) any real property used by the United States primarily for the provision of services or benefits to the local area in which such property is situated, (B) any real property used for a labor supply center, labor home, or labor camp for migratory farmworkers, (C) any real property under the jurisdiction of the Post Office Department and used primarily for the provision of postal services, or (D) any low-rent housing project held under title II of the National Industrial Recovery Act, the Emergency Relief Appropriation Act of 1935, the United States Housing Act of 1937, the Act of June 28, 1940 (Public Law 671 of the Seventy-sixth Congress), or any law amendatory of or supplementary to any of such Acts.

(2) The term "child" means any child who is within the age limits for which the applicable State provides free public education.

(3) The term "parent" includes a legal guardian or other person in loco parentis.

(4) The term "free public education" means education which is provided at public expense, under public supervision and direction, and without tuition charge, and which is provided as elementary or secondary school education in the applicable State.

(5) The term "current expenditures" means expenditures for free public education to the extent that such expenditures are made from current revenues, except that such term does not include any such expenditure for the acquisition of land, the erection of facilities, interest, or debt service.

(6) The term "local educational agency" means a board of education or other legally constituted local school authority having administrative control and direction of free public education in a county, township, independent, or other school district located within a State. Such term includes any State agency which directly operates and maintains facilities for providing free public education.

(7) The term "State educational agency" means the officer or agency primarily responsible for the State supervision of public elementary and secondary schools.

(8) The term "State" means a State, Puerto Rico, Wake Island, Guam, or the Virgin Islands.

(9) The terms "Commissioner of Education" and "Commissioner" mean the United States Commissioner of Education.

(10) Average daily attendance shall be determined in accordance with State law; except that, notwithstanding any other provision of this Act, where the local educational agency of the school district in which any child resides makes or contracts to make a tuition payment for the free public education of such child in a school situated in another school district, for purposes of this Act the attendance of such child at such school shall be held and considered (A) to be attendance at a school of the local educational agency so making or contracting to make such tuition payment, and (B) not be attendance at a school educational agency receiving such tuition payment or entitled to receive such tuition payment under the contract.

Senator MORSE. We will start our testimony this afternoon by hearing Prof. Roger A. Freeman, Claremont, Calif.



Professor Freeman, I am going to insert your full statement in the record. I have scanned it sufficiently to know that you are entitled to receive from me and through me from the subcommittee our thanks and appreciation for the great amount of work that you have done in preparing the statement for the benefit of the subcommittee. I want to thank you very much.

With the full statement inserted in the record at this time, you may proceed in your own way to summarize it and make what comments you care to for the record.

You may proceed, Professor Freeman.

**STATEMENT OF ROGER A. FREEMAN, RESEARCH ASSOCIATE,  
INSTITUTE FOR STUDIES IN FEDERALISM, CLAREMONT MEN'S  
COLLEGE, CLAREMONT, CALIF.**

Mr. FREEMAN. Thank you, Mr. Chairman.

My name is Roger A. Freeman. I am a research associate at the Institute for Studies in Federalism at Claremont Men's College in Claremont, Calif.; and also connected with the Institute for Social Science Research in Washington.

I am appearing before your subcommittee at the invitation of your chairman. I received his telegram asking me to testify only last week and, because of other commitments, have had to prepare this statement in considerable haste. For this reason, I request that I be permitted to edit my testimony before it is inserted in the record of the committee.

For the information of the subcommittee I would like to state that I directed the research of the Education Committee of the U.S. Commission on Intergovernmental Relations in 1954-55, served as a consultant on school finance to the White House Conference on Education, and subsequently worked in the White House Office, Executive Office of the President, before I entered upon my present assignment.

Previously, I had been assistant to the Governor of the State of Washington for about 6 years. The opinions I may express are entirely my own, and do not aim to reflect the views of any of the organizations with which I am or was connected.

School revenues have shown a consistent rise in the postwar period, when measured against the national income, and virtually all of those who in recent years have studied the outlook for school finances are agreed that taxes for school purposes are likely to continue to climb over the next 10 years.

TABLE 49.—Public school revenues as a percentage of the national income

	Percent		Percent
1945-46	1.7	1959-60	3.4
1949-50	2.4	1960-61 (estimate)	3.5
1954-55	2.7		

There is, however, no agreement on the type of taxes—income, sales, or property—which ought to be increased, nor on the levels of government—Federal, State, or local—which should accept the responsibility for it.

The National Tax Association, the country's leading professional society of teachers, administrators, and practitioners in the field of



taxation, appointed in 1957 a committee on the financing of public education and gave it the assignment to study and report on the financing of the public elementary and secondary schools.

The committee, under my chairmanship, has been at work for over 3 years and completed its report in January 1961. It recommends various methods by which school revenues can be lifted to a level of about \$24 billion by the end of the 1960's. On some policy issues a majority and a minority view is expressed. In my testimony I intend to lean heavily on the findings of that committee in regard to sources of taxation for school purposes.

The report itself will appear in the proceedings of the 53d annual conference on taxation, now in the printing stage, and scheduled to be published in April 1961. I am submitting a copy of the report for the information of your committee and any use it may wish to make of it. Here, Mr. Chairman, is a copy of the report of that committee.

**Senator MORSE.** The copy of the report of the National Tax Association will be made a part of the files of the subcommittee, not a part of the record, but will be available to the subcommittee for its deliberations in executive session.

(The document referred to will be found in the files of the committee.)

**Mr. FREEMAN.** Now, Mr. Chairman, I would like to summarize orally what I have written in my testimony.

The bills which are presently before the 87th Congress can be divided into four types:

(a) Grants for general school support, which include S. 8 by Senator McNamara; S. 723 by Senator Cooper; and S. 1021 by Senator Morse.

(b) Grants for school construction, which includes S. 433 by Senator Dirksen; several bills before the House of Representatives also propose loans.

(c) The sharing of certain Federal revenues with the States, with the proceeds earmarked for education. This includes S. 293 by Senator Cotton.

(d) Federal income tax credits for payments of local school taxes or tuition payments. This includes S. 991 by Senator Goldwater, and S. 792 by Senator Keating. The Keating bill is before the Committee on Finance rather than before this committee.

First, I would like to discuss the effect which these proposed measures may have on school finance.

The bills which are now under consideration provide for Federal appropriations of between \$250 million and \$1 billion a year, and the average amount is about \$700 million a year.

The school budgets at the present time total about \$16 billion, and are expected to go up to between \$24 and \$31 billion during the current decade.

In other words, a Federal contribution of about \$700 million a year would only be a token contribution toward the total requirements which, as I mentioned, will soon go up to between \$24 and \$31 billion.

It appears then that these proposals assume one of two things: Either (a) that the States have the capacity to raise between \$23 and \$30 billion a year but lack the capacity to raise another billion or (b) that the present proposals are in the nature of a downpayment but are intended within very few years to go up to at least between \$5 and \$8 billion a year. Otherwise they would only make a very minor contribution to school finance.

The White House Conference on Education back in 1955 proposed that school funds be doubled within 10 years, and this doubling within 10 years has become a standard statement ever since. But what has actually happened is this: Within the 6 years that have passed since then, school revenues have increased at a decennial rate of 152 percent and, in fact, between 1950 and 1960, school revenues have increased 152 percent.

In other words, then, the rate of increase has been faster than has been expected or has been hoped for.

Furthermore, school revenues have increased at a very substantial amount every year, and the rate has been growing too.

In the postwar years, between 1926 and 1953, the average annual increase in school revenue receipts was \$520 million: from 1954 to 1961 the average annual increase was \$940 million a year, and in the last 2 years it has been more than \$1 billion each year. The question, of course, is whether this increase will continue.

Now, as you know, Mr. Chairman, several of the bills have effort provisions. They either require that the States do not reduce their present effort or, as two of the bills do, they require a specified increase in the effort of the States and localities.

The bills which require no decrease do not exert much pressure because the past experience has been consistently that States and local governments increase their contributions very rapidly. If they were not going to increase any further, it would amount to a slowdown. Even the provisions in S. 1020, and in S. 8 would not prevent States from slowing down their efforts because of the exemptions which are contained in these bills.

I do not want to go into too many technical details. Most of the States would, in effect, be exempted from the penalty provisions, and the great majority of States could slow down the trend in school effort. The question, of course, is would they do so?

Federal school aid has been widely proposed as an alternative to higher State and local taxes, and I would like to quote to you from a recent report from Pennsylvania:

In Pennsylvania, Governor Lawrence holds off proposing any substantial increase in State aid for schools in the new budget; he looks instead to Congress to authorize Federal educational grants for States.

I would also like to quote something that was written in 1886 when Federal aid to education was about as intensely debated in Congress as it is today, and was written by Woodrow Wilson:

It was evident that no increase in the State appropriation for public education would be voted as long as there was the least prospect of aid from Washington. \* \* \* (There was) deliberate determination to enjoy the easy position of a beneficiary of the National Government to the fullest possible extent, rather than to be independent and support a good school system by its own unaided efforts.

What this means, apparently, is that to some extent the Federal amounts that might be made available under these bills would not be in addition but would be a substitute for State and local funds.

What effect then would the bills have? I would like to outline just the effect of S. 1021, the administration bill.

Supposing the funds were divided equally between teachers' salaries and school construction. It would mean \$333 million for buildings in the first year, which could build approximately 7,500 classrooms, or roughly 10 percent of the presently built 70,000 classrooms.

If about one project out of five were eligible it is likely that four out of five communities which are not eligible in any particular year would tend either to postpone their bond proposals until they become eligible for getting their school buildings at one-half or one-third, or whatever it might be, or the communities might tend to defeat proposals until they, like their neighbors, become eligible; in other words, this might lead to a slowdown of construction.

If the other half of the Federal appropriation were applied to teachers' salaries, in other words, not augmenting the number of teachers but increasing their salaries, it would finance a salary increase for all teachers of \$200 in the first year, and \$30 in each of the 2 succeeding years.

States and communities have increased teachers' salaries at an average of \$230 in each of the past 8 years, and it is questionable whether State legislatures and communities would be as willing in the future as they have in the past to vote higher taxes for raising teachers' salaries if Federal aid for that purpose were available.

It appears then, in summary of this aspect, that Federal aid may not increase very much the volume of school support, at least under the present proposals, but would have a very decided effect on school control.

Most of the bills declare that they intend to leave the control of education with the States, and several bills specifically outlaw school control by Federal departments and officials.

But it seems to me that the various types of bills would have a quite different effect on school control.

The proposals for tax credits or for the sharing of revenues would leave the power of making decisions exactly where it is at the present time. They would make use of the Federal tax machinery for educational purposes, but would not change the persons or offices which make the decisions about school policies. Particularly the tax credit proposals would leave the decisions with the individuals rather than with the Government, and I believe that some of the proposals would make for a very fair distribution of the benefits to all children. While the expenditures would be incurred in the communities where they are needed, the load would be borne by the general Federal taxpayer.

One objection to the tax-sharing proposals has been that there would be no equalization. That statement is correct as far as it goes.

But I would like to point out that the equalizing effect of these Federal grant-in-aid provisions is very small compared to the equalizing effect of the Federal tax system. In fact, the equalizing effect of the Federal tax system is more than a hundred times as great as the differential provisions of these bills would be.

The House of Representatives has twice adopted tax-sharing proposals, in 1956 on income taxes, and last year on cigarette taxes, but rescinded its action in each case. The reason, it seems to me, is this: Under the grant type provision the funds would be channeled through the U.S. Office of Education, to the State office of education; under the tax-sharing provisions the funds would be channeled from the U.S. Treasury to the State treasuries, and they would bypass the U.S. Office of Education. This is, I think, the crux of the matter.

If it were simply the purpose of these bills to provide funds for educational purposes, a system could be used which was adopted by Great Britain 2 years ago, where 12 of the functional grants were combined into what is called a block grant. That one grant is made available, £400 million in that case, by the Central Government to the local authorities to be expended at their discretion without any control.

However, it appears to me that the grant-type bills which are before this committee would change control very much. They would shift it from where it presently is located, with the State legislatures, Governors, boards of education, communities and parents, to the State departments of education. They would very greatly strengthen the State departments of education versus the general State authorities.

As you know, the proposals for Federal school aid have become enmeshed in the debate of whether they will or will not lead to Federal control of education.

In the first place, it seems to me that the present bills, while they outline that there should be no Federal control of local school administrators or local schools, are imposing quite stringent controls upon State legislatures. In other words, they impose controls upon the States, the Governors, the legislatures, but they declare that they will not control the school administrators. Why, I do not know.

However, I think that the antithesis, Federal versus State-local, is somewhat misstated, and I would like to quote here a statement by Max Lerner with which I very much agree, and which appeared in the Journal of the National Education Association.

The choice before us is not a choice between the control of education by local officials or by National Government officials; that is not the choice, and don't let anyone tell us it is. The choice is between control by people who have not given their lives to education and control by people who have given their lives to it.

In other words, the crucial difference is between control by lay persons, that is by the legislatures, the Governors, the boards, and by the parents in the communities, on the one hand, and by the educational administrators, on the other.

Some people believe that a shift toward professional control of education is desirable, necessary or inevitable, and again I would like to quote to you from the School Administrator's Journal Overview, which editorialized in November 1960:

The United States is inexorably moving toward a national system of education \* \* \*. The long-held view that education is largely a personal concern and that educational policies should be made by local units of government will have to go \* \* \*. The national welfare demands a national system of education.

Senator DIRKSEN. Who said that?

Mr. FREEMAN. This appeared in the Journal Overview, which is the national journal of the school administrators.

Until 2 years ago it was called the School Executive, and the article was written by the man who was editor of the journal for many decades.

I could quote to you, Senator, many statements which are exactly along the same line, which point out that what is really aimed for here is the establishment of a national system of education.

Such statements are usually not made in presentations to the Senate or to the House. But when the professors of education and the school administrators speak to each other, they talk in a different language. In fact, they make fun of what they call the "grassrootism" in American education.

I would be very happy to supply additional quotes, dozens of them, from professors of education, from educational administrators along the same lines.

Senator DIRKSEN. Can we have authority then to include those extra quotes in the record?

Senator MORSE. They will be included in the record.

Mr. FREEMAN. Yes, sir, I will submit them.

Now, this is one view.

On the other hand, many persons hold that, "just as war is too important to be left to the generals, education is too important to be left to the educators."

Senator MORSE. Might I interrupt, Professor Freeman, on this last insertion—

Mr. FREEMAN. Yes.

Senator MORSE. Be sure when the insertions come in that you identify who it is, who is being quoted.

Mr. FREEMAN. Yes, sir. It will be the exact quotation, who it is and where the statement was made. In fact many of these quotations are cited in detail in a book which I wrote and which was published about 2 months ago.

(The information referred to follows:)

CLAREMONT MEN'S COLLEGE,  
Claremont, Calif., March 20, 1961.

HON. WAYNE MORSE,  
*Chairman, Subcommittee on Education,  
Committee on Labor and Public Welfare,  
Senate Office Building,  
Washington, D.C.*

DEAR SENATOR MORSE: When I testified before your committee on March 13, I was asked to supply certain supplemental information. I am therefore submitting, herewith enclosed:

Appendix A—Selected references on Federal school control and a national system of education. Statements are cited by educational administrators and professors of education who favor national, professional control of the schools or a national system of education.

Appendix B—1960 bond elections, elementary and secondary schools, by State. The table was prepared by the Investment Bankers Association of America, 925 13th Street NW., Washington, D.C., Frank E. Morris, research director. Additional information may be secured from the association directly.

The volume of school bonds approved at elections in 1960 establishes a new alltime record of \$1,757 million, which is between 30 percent and 36 percent higher than the bonds approved in 1959, 1958, or 1957. The approval percentage of 81 percent also is higher than for the preceding years.

Bonds voted at elections constitute only part of the prospective school building activity. The volume of school bonds sold in 1960 totaled \$2,184 million, a 14 percent increase over the year 1959. Total school capital outlay, including

expenditures of State and local school building authorities, in 1959-60 was reported at \$3,469 million by the U.S. Office of Education (School Life, April 1960, p. 24).

Appendix C—Statistics on comparative salaries of women schoolteachers and other female professional workers. Statistics of the Women's Bureau, Department of Labor and of the Bureau of the Census, Department of Commerce, indicate that women earn considerably higher salaries as public school teachers than when engaged in other professional occupations.

Appendix D—Veto message of President James Buchanan of February 24, 1859, in regard to a bill making land grants for colleges. President Buchanan vetoed the bill because of the difficulty of balancing the U.S. budget, and because he held the proposal of making Federal funds available for educational purposes to be detrimental to the future of Federal-State relations and the preservation of the Federal system of government, to be of questionable advantage to the stated objective of aiding education, and to be of doubtful constitutionality.

You also authorized me to submit supplemental material, pertinent to questions which arose during the hearings. I am therefore enclosing: Appendix E—The origin of the school land grants, which demonstrates that the land grants first authorized in 1785 did not establish a precedent for Federal aid to education; Appendix F—Armed Forces rejections and school expenditures, which demonstrates the absence of a connection between the magnitude of school expenditures and the percentage of Armed Forces rejections.

I understand that during the hearings on March 10 you questioned Mr. Sam M. Lambert, representing the National Education Association, in regard to a quotation from an N.E.A. report which I used in an article in the March 1961 issue of the Nation's Business. Mr. Lambert stated that the quotation was correct but criticized the fact that it was not footnoted and that there was no indication that it had appeared in a report 15 years ago. Mr. Lambert also claimed that the quote was taken out of context.

I would like to state that the article in question carried no footnotes because footnotes would have made it harder to read. General magazine articles usually do not carry footnotes in order to maintain readability. I used this and other quotations from the same N.E.A. report in my book, "Taxes for the Schools" and there, appropriately in a research report, cited origin and date. I am submitting appendix G which consists of sections of my mentioned book in which I cited the N.E.A. report at length. I leave it to the committee's judgment whether the quote in the Nation's Business was taken out of context.

May I express to you, Senator, and to the members of the committee my appreciation for the courtesies shown me during the hearing.

Sincerely yours,

ROGER A. FREEMAN.

#### APPENDIX A

#### SELECTED REFERENCES ON FEDERAL SCHOOL CONTROL AND A NATIONAL SYSTEM OF EDUCATION

The Nation's Schools, September 1960; editorial, "It Is Federal Control:"

"There's something quite naive in the way we school people talk about Federal control of education. Some of us seem to think that Federal influence on education can be prevented simply by stating that it shall not exist.

"The next time someone tells you that he is absolutely opposed to Federal control of education, ask him to define what he means by control. What is it? How does it operate? How does it grow?

"Federal direction is inherent in any Federal law or any Federal court decision pertaining to education. This is true, even if Congress delegates to the States the administration of a Federal grant."

Overview, November 1960, "A National System of Education:"

"The United States is inexorably moving toward a national system of education. By the end of the 20th century we should be far along the road toward this goal. There will be much travail, dissension, and heated debate concerning the wisdom of traveling this road. There will be many regrets, many cherished viewpoints which will have to be given up or changed. For instance, the long held views that education is largely a personal concern and that educational policy should be made by local units of government will have to go. The growing dependence of the Nation upon education will tip the scales overwhelmingly for a national system of education.

\* \* \* \* \*



"As I see it, then, the national welfare demands a national system of education. The growing complexity of national and international problems which require solution makes mandatory a high degree of educational efficiency which can only be achieved by making education a national enterprise."

Theodore Brameld, professor of education, Boston University, "Toward a Reconstructed Philosophy of Education," New York: Holt, 1956, from a passage entitled "The Bugaboo of Federal Control" (296 ff.) :

"The National Government should exercise the same authority over the spending of school funds as it does in other areas; otherwise there would always be the danger of Federal money being squandered by dominant minorities in States or localities. The spending of Federal funds already provided for education in specific fields (notably through the Smith-Hughes law, providing for agricultural, industrial, and home economics education) is controlled by definite requirements which, although sometimes annoying, certainly have not given rise to wholesale corruption or rigidity of educational practice. It is equally consistent to insist upon a working synthesis between Federal aid and control with regard to general education."

The following is taken from Roger A. Freeman, "Taxes for the Schools," the Institute for Social Science Research, Washington, 1960, pages 55-58; 70-71:

"More and more voices are being heard in recent years which suggest that our 40,000 State and local school systems must be molded into a national system of education."

"William Benton, former U.S. Senator from Connecticut and now publisher of the Encyclopedia Britannica, commented in a report on education in Soviet Russia :

"When Mr. Khrushchev looks across the Atlantic at us what he sees in education is 48 balkanized units, each in turn balkanized into scores of hundreds of local districts, with school boards worrying about their mill rates while Mr. Khrushchev tools up for political conquest."

"John A. Hannah, president of Michigan State University, in a speech before the National War College, presented the case for national direction of education on the premise that education must be 'a primary instrument of national policy.'"<sup>72</sup>

"Harold W. Stoke, president of Queens College, declared that :

"The new case for Federal intervention in education is no longer the case for convenience or for the values of the intellectual contributions which education makes to national welfare, it is stark necessity \* \* \*. This is not Federal aid to education; it is the Federal creation of education, education of a kind and of a quality which did not exist before; but which the national necessity now demands \* \* \*. Here is no Federal aid to education, here is Federal education for purposes distinctly national \* \* \*."

"Lester S. Vanderwert, dean of the College of Education, Northeastern University, demanded 'that the myth of popular control of school program should be exploded.' Presenting a bill of particulars against the locally controlled system he proposed that national guidelines be developed and control be placed in the hands of professional educators. State boards of education should be retained, but composed of classroom teachers who 'would have to work closely' with a national board."<sup>73</sup>

"H. Thomas James, School of Education, Stanford University, proclaimed :

"As the States have denied, first to the family, and then to local communities, the right to make decisions on education contrary to State-defined policy, so the Nation may be expected to deny to the States the right to make decisions on educational policy that are not in accord with the emerging national policy for education."<sup>74</sup>

"Van Cleve Morris of the School of Education, Rutgers University, blamed educational shortcomings on 'our historical love affair with what might be called "grass-roots-ism" in American education.' He suggested :

"A gradual weakening of local autonomy over the school and a gradual emergence of control mechanisms that are not so socially and politically proximate to the educational worker \* \* \* we should hope in the years to come to

<sup>72</sup> 'Soviet Education,' Vital Speeches of the Day, Apr. 15, 1956; Congressional Record, Mar. 19, 1956, p. 5081.

<sup>73</sup> 'Education: Instrument of National Policy,' Congressional Record, July 28, 1959, p. A6488.

<sup>74</sup> 'National Necessity and Educational Policy,' Vital Speeches of the Day, May 15, 1959.

<sup>75</sup> 'A National System of Education,' Vital Speeches of the Day, June 1, 1959.

<sup>76</sup> 'Schools Are in Politics,' The Nation's Schools, October 1958.



erect new agencies of control which would oversee the work of the educational profession at a little greater distance than is now the case.' <sup>77</sup>

"Myron Lieberman, until recently with the Graduate School of Education, Yeshiva University, and now director of basic research for the Educational Research Council of Greater Cleveland, charged that 'Four Myths Cripple Our Schools,' and that first among them is 'the myth that local control of education, with perhaps a few concessions made to State control, is one of the important safeguards of educational freedom and of our free society.' <sup>78</sup> He stated that 'our schools have never been an important foundation of our free society.' and 'because a national system of educational controls is more likely to broaden the purposes of education and to preserve the professional autonomy of teachers, it is much more likely to provide a truly liberal education than a multitude of totalitarian systems under local control.' Defining the term 'local control' to include 'State control' he declared that 'local control of education has clearly outlived its usefulness on the American scene,' that 'local control cannot in practice be reconciled with the ideals of a democratic society,' and that 'our present system of local control is far more conducive to totalitarianism than a national system of schools would be.' <sup>79</sup> He concluded that 'centralization and professionalization are inevitable not in spite of what people think but because enough people will eventually think long enough and hard enough about public education to realize that no other policy makes sense.'

"Adm. Hyman G. Rickover, dissatisfied with the educational product of the schools and despairing of sufficient improvement by community initiative, suggested Federal Government action which would lead to the establishment of national standards of learning. <sup>80</sup>

"The most thoroughly documented case for national direction of education was presented by Dawson Hales of Teachers College, Columbia University, in his book "Federal Control of Public Education." <sup>81</sup> He holds that local control of education originated in a different mental climate and a radically different social context, that it has outlived its usefulness, and that the needed improvement in American education can be brought about only through centralization of authority. He shows—as Samuel Miller Brownell did in his earlier-quoted statement—that Federal financial assistance without control of the use of the funds would not lead to the desired degree of coordination among State and local school systems. <sup>82</sup>

<sup>77</sup> 'Grass-roots-ism and the Public Schools,' School and Society, June 22, 1957.

<sup>78</sup> The Nation, Feb. 28 and Mar. 7, 1959; also, The Education Digest, May 1959 and September 1959.

<sup>79</sup> 'The Future of Public Education,' University of Chicago Press, 1960, pp. 34, 37.

<sup>80</sup> H. G. Rickover, 'Education and Freedom,' E. P. Dutton and Company, New York, 1959.

<sup>81</sup> Bureau of Publications, Teachers College, Columbia University, New York, 1954.

<sup>82</sup> Ibid., pp. 87-88.

"Many more statements could be quoted of administrators and professors of education who propose a shift in the powers and responsibilities in education. Although they appear to be more logical and consistent than those who demand 'Federal aid without Federal control' they are, at this time still a minority. Most of their colleagues, and particularly their public-relations conscious national associations, know how deeply and firmly the belief in local school control is rooted among the overwhelming majority of the American people. They recognize that open advocacy of centralized direction of education would defeat their purposes. Many of them prefer State and local control, provided that it is de facto exercised not by general government or lay boards nor by parents or communities but by members of their profession who are nationally organized and can provide the unifying guidance and direction. Their power will be the greater, the less they must depend upon State and local financial support. Thus, they labor for a shift in financial responsibility but not in the control of the schools.

"Myron Lieberman proposed that 'local control of education by laymen should be limited to peripheral and ceremonial functions of education.' He feels that 'the people most active in educational affairs are usually from the upper classes and tend to favor policies which are unfair to less privileged groups \* \* \*'.<sup>111</sup> The solution: 'I am convinced that we are about to move rapidly toward a national system of education.' He explained that a national system did not necessarily mean a system operated by the Federal Government and that States and communities might continue to hold legal responsibility for the schools:

"\* \* \* the decline of local control of education means more than a simple transfer of authority from communities to the States or to the Federal Government. It can, and indeed it must, mean a tremendous increase in the power of the teachers as an organized group \* \* \* The way out is to realize that the problem is not which public—local, State, or National—should shape the educational program, but how to make certain that the program is in the hands of the teachers, where it belongs \* \* \* The crux of the matter is that centralization itself will hasten the establishment of professional autonomy.'<sup>112</sup>

"The ability of the professional administrators to shape the schools in their own image has been hampered by their need of maintaining the good will of local communities for financial support. As an increasing share of the funds is provided by superior levels of government, administered by members of the same fraternity, lay control of education wanes. The much-debated issue of Federal control of education may have to take a back seat to the more fundamental issue of lay versus professional supremacy.

<sup>111</sup> Myron Lieberman, 'The Future of Public Education,' University of Chicago Press, 1960, p. 281.

<sup>112</sup> 'Let Educators Run Our Schools,' The Nation, Mar. 7, 1959; also, The Education Digest, September 1959.

"Mr. Lieberman also proposes that all teachers should be members of one mandatory national teachers organization (to include NEA and AFT) with checkoff of dues, etc., which would be de facto, if not de lege, run the Nation's educational system. He does not specify a date for attaining his brave new world but, for example, 1984 could well be envisaged as a likely year—with due respect to George Orwell.

## "APPENDIX B

TABLE 50.—1960 bond elections, elementary and secondary schools, by State

State	Approved		Disapproved		Percent approved by	
	Amount	Number	Amount	Number	Value	Number
Alabama.....	\$6,500,000	2	-----	0	100.0	100.0
Alaska.....	2,090,000	2	-----	0	100.0	100.0
Arizona.....	39,050,000	32	-----	0	100.0	100.0
Arkansas.....	12,970,000	8	-----	0	100.0	100.0
California.....	751,584,000	175	\$90,206,000	58	89.3	75.1
Colorado.....	25,700,000	12	4,595,000	7	84.8	63.2
Connecticut.....	8,057,000	8	-----	0	100.0	100.0
Delaware.....	1,150,000	3	-----	0	100.0	100.0
Florida.....	56,725,000	5	-----	0	100.0	100.0
Georgia.....	6,548,000	3	-----	0	100.0	100.0
Hawaii.....	-----	0	-----	0	-----	-----
Idaho.....	7,686,000	11	3,680,000	6	67.6	64.7
Illinois.....	71,156,000	93	25,572,000	17	73.6	84.5
Indiana.....	-----	0	-----	0	-----	-----
Iowa.....	20,201,000	62	18,044,000	31	52.8	66.7
Kansas.....	6,141,000	6	1,916,000	3	76.2	66.7
Kentucky.....	-----	0	-----	0	-----	-----
Louisiana.....	32,071,000	12	-----	0	100.0	100.0
Maine.....	2,159,000	2	3,500,000	1	38.2	66.7
Maryland.....	36,050,000	2	-----	0	100.0	100.0
Massachusetts.....	4,533,000	4	2,440,000	3	65.0	57.1
Michigan.....	50,271,000	51	28,160,000	30	64.1	63.0
Minnesota.....	45,143,000	49	33,314,000	32	57.5	60.5
Mississippi.....	4,601,000	6	2,750,000	3	62.6	66.7
Missouri.....	7,222,000	6	59,475,000	4	10.8	60.0
Montana.....	5,491,000	9	609,000	2	90.0	81.8
Nebraska.....	10,832,000	45	7,301,000	25	59.7	64.3
Nevada.....	6,000,000	1	-----	0	100.0	100.0
New Hampshire.....	-----	0	-----	0	-----	-----
New Jersey.....	48,159,000	42	20,465,000	14	70.2	75.0
New Mexico.....	12,328,000	16	700,000	2	94.6	89.0
New York.....	19,240,000	8	9,592,000	4	66.7	66.7
North Carolina.....	29,813,000	9	-----	0	100.0	100.0
North Dakota.....	12,208,000	35	6,460,000	21	65.4	62.5
Ohio.....	105,120,000	138	39,620,000	35	72.6	79.7
Oklahoma.....	14,960,000	82	1,019,000	11	93.6	88.2
Oregon.....	13,270,000	22	11,402,000	10	53.8	68.8
Pennsylvania.....	1,981,000	7	-----	0	100.0	100.0
Rhode Island.....	6,050,000	4	-----	0	100.0	100.0
South Carolina.....	3,048,000	5	-----	0	100.0	100.0
South Dakota.....	3,088,000	12	393,000	3	88.7	80.0
Tennessee.....	7,000,000	1	-----	0	100.0	100.0
Texas.....	162,392,000	110	19,340,000	15	89.4	88.0
Utah.....	-----	0	-----	0	-----	-----
Vermont.....	370,000	2	3,840,000	1	8.8	66.7
Virginia.....	39,725,000	4	-----	0	100.0	100.0
Washington.....	38,835,000	52	5,522,000	12	87.6	81.3
West Virginia.....	950,000	1	950,000	1	50.0	50.0
Wisconsin.....	15,279,000	15	395,000	1	97.5	93.8
Wyoming.....	9,074,000	14	275,000	1	97.1	93.3
District of Columbia.....	-----	0	-----	0	-----	-----
Puerto Rico.....	-----	0	-----	0	-----	-----
Virgin Islands.....	-----	0	-----	0	-----	-----
Grand total.....	1,762,821,000	1,188	401,535,000	353	81.4	77.1

"Source: Prepared by Investment Bankers Association of America, Frank E. Morris, research director."

## APPENDIX C

## STATISTICS ON COMPARATIVE SALARIES OF WOMEN SCHOOLTEACHERS AND OTHER FEMALE PROFESSIONAL WORKERS

The Women's Bureau, U.S. Department of Labor, conducted in 1956 a survey of women college graduates of 1955, "Employment After College: Report on Women Graduates, Class of 1955." The report (table 10) indicated that the average woman college graduate of 1955 earned \$3,141 annually and that the average pay was, for teachers, \$3,197; for all others, \$3,047. The teachers were thus \$150 a year ahead of their college classmates.

Virtually all of those in nonschool professions held jobs which required them to be at their place of work about 240 days a year, while teachers, on the average, teach only about 180 days. Thus there was a time advantage of the teachers of about 33 percent, besides the money advantage of 5 percent.

The report showed that 62.6 percent of the graduates holding jobs were teachers, 9.5 percent in professions with a higher average pay than teachers, 27.9 percent in professions with a lower average pay than teachers.

This survey was repeated in regard to 1956 and 1957 graduates, with virtually identical results: teachers earned, on the average, about \$150 a year more than college graduates who had chosen nonschool careers. "College Women Go to Work, Report on Women Graduates, Class of 1956"; "First Jobs of College Women, Report of Women Graduates, Class of 1957"; Women's Bureau, U.S. Department of Labor.

The U.S. Bureau of the Census prepared a tabulation of its 1958 survey for the National Education Association, comparing the income of male and female teachers with professional workers outside the schools. The results were published in an NEA report, "Economic Status of Teachers in 1959-60." The significant data are: Median annual money earnings of female professional, technical, and kindred workers: All workers, \$3,126; instructional staff in public schools, \$3,748; and, professional workers in nonschool jobs, \$2,619. No data are shown for the latter category according to length of college attendance. But such data are shown for all professional workers and for public school teachers, as follows:

	4 years college	5 or more years college
All professional workers.....	\$3,533	\$4,612
Public school teachers.....	3,680	4,925

If earnings are compared according to the length of time worked, the picture appears as follows:

	Number of weeks worked in 1958	
	27 to 47	48 or more
Public school teachers.....	\$4,032	\$4,418
Professional workers in nonschool jobs.....	2,267	3,658

It is apparent that women in professional occupations earn considerably higher salaries in public school teaching than in other types of jobs, and that on the basis of time worked their advantage is very substantial. A comparison among men renders a different picture. Men teachers earn, on the average, less than men physicians, lawyers, architects, engineers, accountants, etc. In spite of their seemingly less favorable position, the number of men teachers in the public schools has increased 100 percent over the past decade, the number of women teachers only 34 percent. The increases were for elementary schools: men, plus 126 percent; women plus 32 percent; for high schools: men, plus 91 percent; women, plus 40 percent.

At the present time almost 9 out of 10 elementary teachers and about half of the high school teachers are women.

#### APPENDIX D

#### VETO MESSAGE OF PRESIDENT JAMES BUCHANAN OF FEBRUARY 24, 1859, IN REGARD TO A BILL MAKING LAND GRANTS FOR COLLEGES

WASHINGTON CITY, February 24, 1859.

To the House of Representatives of the United States:

I return with my objections to the House of Representatives, in which it originated, the bill entitled "An act donating public lands to the several States and Territories which may provide colleges for the benefit of agriculture and the mechanic arts," presented to me on the 18th instant.

This bill makes a donation to the several States of 20,000 acres of the public lands for each Senator and Representative in the present Congress, and also an additional donation of 20,000 acres for each additional Representative to which any State may be entitled under the census of 1860.

According to a report from the Interior Department, based upon the present number of Senators and Representatives, the lands given to the States amount to 6,060,000 acres, and their value, at the minimum Government price of \$1.25 per acre, to \$7,575,000.

The object of this gift, as stated by the bill, is "the endowment, support, and maintenance of at least one college [in each State] where the leading object shall be, without excluding other scientific or classical studies, to teach such branches of learning as are related to agriculture and the mechanic arts, as the legislatures of the States may respectively prescribe, in order to promote the liberal and practical education of the industrial classes in the several pursuits and professions in life."

As there does not appear from the bill to be any beneficiaries in existence to which this endowment can be applied, each State is required "to provide within five years at least, not less than one college, or the grant to said States shall cease." In that event the "said State shall be bound to pay the United States the amount received of any lands previously sold, and that the title to purchasers under the State shall be valid."

The grant in land itself is confined to such States as have public lands within their limits worth \$1.25 per acre in the opinion of the Governor. For the remaining States the Secretary of the Interior is directed to issue "land scrip to the amount of their distributive shares in acres under the provisions of this act, said scrip to be sold by said States, and the proceeds thereof applied to the uses and purposes prescribed in this act, and for no other use or purpose whatsoever." The lands are granted and the scrip is to be issued "in sections or subdivisions of sections of not less than one-quarter of a section."

According to an estimate from the Interior Department, the number of acres which will probably be accepted by States having public lands within their own limits will not exceed 580,000 acres (and it may be much less), leaving a balance of 5,480,000 acres to be provided for by the scrip. These grants of land and land scrip to each of the thirty-three States are made upon certain conditions, the principal of which is that if the fund shall be lost or diminished on account of unfortunate investments or otherwise the deficiency shall be replaced and made good by the respective States.

I shall now proceed to state my objections to this bill. I deem it to be both inexpedient and unconstitutional.

1. This bill has been passed at a period when we can with great difficulty raise sufficient revenue to sustain the expenses of the Government. Should it become a law the Treasury will be deprived of the whole, or nearly the whole, of our income from the sale of public lands, which for the next fiscal year has been estimated at \$5,000,000.

A bare statement of the case will make this evident. The minimum price at which we dispose of our lands is \$1.25 per acre. At the present moment, however, the price has been reduced to those who purchase the bounty-land warrants of the old soldiers to 85 cents per acre, and of these warrants there are still outstanding and unlocated, as appears by a report (February 12, 1859) from the General Land Office, the amount of 11,990,391 acres. This has already greatly reduced the current sales by the Government and diminished the revenue from this source. If in addition thirty-three States shall enter the market with their land scrip, the price must be greatly reduced below even 85 cents per acre, as much to the prejudice of the old soldiers who have not already parted with their land warrants as to Government. It is easy to perceive that with this glut of the market Government can sell little or no lands at \$1.25 per acre, when the price of bounty-land warrants and scrip shall be reduced to half this sum. This source of revenue will be almost entirely dried up. Under the bill the States may sell their land scrip at any price it may bring. There is no limitation whatever in this respect. Indeed, they must sell for what the scrip will bring, for without this fund they can not proceed to establish their colleges within the five years to which they are limited. It is manifest, therefore, that to the extent to which this bill will prevent the sale of public lands at \$1.25 per acre, to that amount it will have precisely the same effect upon the Treasury as if we should impose a tax to create a loan to endow these State colleges.

Surely the present is the most unpropitious moment which could have been selected for the passage of this bill.

2. Waiving for the present the question of constitutional power, what effect will this bill have on the relations established between the Federal and State Governments? The Constitution is a grant to Congress of a few enumerated but most important powers, relating chiefly to war, peace, foreign and domestic commerce, negotiation, and other subjects which can be best or alone exercised beneficially by the common Government. All other powers are reserved to the States and to the people. For the efficient and harmonious working of both, it is necessary that their several spheres of action should be kept distinct from each other. This alone can prevent conflict and mutual injury. Should the time ever arrive when the State governments shall look to the Federal Treasury for the means of supporting themselves and maintaining their systems of education and internal policy, the character of both Governments will be greatly deteriorated. The representatives of the States and of the people, feeling a more immediate interest in obtaining money to lighten the burdens of their constituents than for the promotion of the more distant objects entrusted to the Federal Government, will naturally incline to obtain means from the Federal Government for State purposes. If a question shall arise between an appropriation of land or money to carry into effect the objects of the Federal Government and those of the States, their feelings will be enlisted in favor of the latter. This is human nature; and hence the necessity of keeping the two Governments entirely distinct. The preponderance of this home feeling has been manifested by the passage of the present bill. The establishment of these colleges has prevailed over the pressing wants of the common Treasury. No nation ever had such an inheritance as we possess in the public lands. These ought to be managed with the utmost care, but at the same time with a liberal spirit toward actual settlers.

In the first year of a war with a powerful naval nation the revenue from customs must in a great degree cease. A resort to loans will then become necessary, and these can always be obtained, as our father obtained them, on advantageous terms by pledging the public lands as security. In this view of the subject it would be wiser to grant money to the States for domestic purposes than to squander away the public lands and transfer them in large bodies into the hands of speculators.

A successful struggle on the part of the State governments with the General Government for the public lands would deprive the latter of the means of performing its high duties, especially at critical and dangerous periods. Besides, it would operate with equal detriment to the best interests of the States. It would remove the most wholesome of all restraints on legislative bodies—that of being obliged to raise money by taxation from their constituents—and would lead to extravagance, if not to corruption. What is obtained easily and without responsibility will be lavishly expended.

3. This bill, should it become a law, will operate greatly to the injury of the new States. The progress of settlements and the increase of an industrious population owning an interest in the soil they cultivate are the causes which will build them up into great and flourishing commonwealths. Nothing could be more prejudicial to their interests than for wealthy individuals to acquire large tracts of the public land and hold them for speculative purposes. The low price to which this land scrip will probably be reduced will tempt speculators to buy it in large amounts and locate it on the best lands belonging to the Government. The eventual consequence must be that the men who desire to cultivate the soil will be compelled to purchase these very lands at rates much higher than the price at which they could be obtained from the Government.

4. It is extremely doubtful, to say the least, whether this bill would contribute to the advancement of agriculture and the mechanic arts—objects the dignity and value of which cannot be too highly appreciated.

The Federal Government, which makes the donation, has confessedly no constitutional power to follow it into the States and enforce the application of the fund to the intended objects. As donors we shall possess no control over our own gift after it shall have passed from our hands. It is true that the State legislatures are required to stipulate that they will faithfully execute the trust in the manner prescribed by the bill. But should they fail to do this, what would be the consequence? The Federal Government has no power, and ought to have no power, to compel the execution of the trust. It would be in as helpless a condition as if, even in this, the time of great need, we were to



demand any portion of the many millions of surplus revenue deposited with the States for safekeeping under the act of 1836.

5. This bill will injuriously interfere with existing colleges in the different States, in many of which agriculture is taught as a science and in all of which it ought to be so taught. These institutions of learning have grown up with the growth of the country, under the fostering care of the States and the munificence of individuals, to meet the advancing demands for education. They have proved great blessings to the people. Many, indeed most, of them are poor and sustain themselves with difficulty. What the effect will be on these institutions of creating an indefinite number of rival colleges sustained by the endowment of the Federal Government it is not difficult to determine.

Under this bill it is provided that scientific and classical studies shall not be excluded from them. Indeed, it would be almost impossible to sustain them without such a provision, for no father would incur the expense of sending a son to one of these institutions for the sole purpose of making him a scientific farmer or mechanic. The bill itself negatives this idea, and declares that their object is "to promote the liberal and practical education of the industrial classes in the several pursuits and professions of life." This certainly ought to be the case. In this view of the subject it would be far better, if such an appropriation of land must be made to institutions of learning in the several States, to apply it directly to the establishment of professorships of agriculture and the mechanic arts in existing colleges, without the intervention of the State legislatures. It would be difficult to foresee how these legislatures will manage this fund. Each Representative in Congress for whose district the proportion of 20,000 acres has been granted will probably insist that the proceeds shall be expended within its limits. There will undoubtedly be a struggle between different localities in each State concerning the division of the gift, which may end in disappointing the hopes of the true friends of agriculture. For this state of things we are without remedy. Not so in regard to State colleges. We might grant land to these corporations to establish agricultural and mechanical professorships, and should they fail to comply with the conditions on which they accepted the grant we might enforce specific performance of these before the ordinary courts of justice.

6. But does Congress possess the power under the Constitution to make a donation of public lands to the different States of the Union to provide colleges for the purpose of educating their own people?

I presume the general proposition is undeniable that Congress does not possess the power to appropriate money in the Treasury, raised by taxes on the people of the United States, for the purpose of educating the people of the respective States. It will not be pretended that any such power is to be found among the specific powers granted to Congress nor that "it is necessary and proper for carrying into execution" any one of these powers. Should Congress exercise such a power, this would be to break down the barriers which have been so carefully constructed in the Constitution to separate Federal from State authority. We should then not only "lay and collect taxes, duties, imposts, and excises" for Federal purposes, but for every State purpose which Congress might deem expedient or useful. This would be an actual consolidation of the Federal and State governments so far as the great taxing and money power is concerned, and constitute a sort of partnership between the two in the Treasury of the United States, equally ruinous to both.

But it is contended that the public lands are placed upon a different footing from money raised by taxation and that the proceeds arising from their sale are not subject to the limitations of the Constitution, but may be appropriated or given away by Congress, at its own discretion, to States, corporations, or individuals for any purpose they may deem expedient.

The advocates of this bill attempt to sustain their position upon the language of the second clause of the third section of the fourth article of the Constitution, which declares that "the Congress shall have power to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States." They contend that by a fair interpretation of the words "dispose of" in this clause Congress possesses the power to make this gift of public land to the States for purposes of education.

It would require clear and strong evidence to induce the belief that the framers of the Constitution, after having limited the powers of Congress to certain precise and specific objects, intended by employing the words "dispose of" to give that body unlimited power over the vast public domain. It would be a



strange anomaly, indeed, to have created two funds—the one by taxation, confined to the execution of the enumerated powers delegated to Congress, and the other from the public lands, applicable to all subjects, foreign and domestic, which Congress might designate: that this fund should be “disposed of,” not to pay the debts of the United States, nor “to raise and support armies,” nor “to provide and maintain a navy,” nor to accomplish any one of the other great objects enumerated in the Constitution, but be diverted from them to pay the debts of the States, to educate their people, and to carry into effect any other measure of their domestic policy. This would be to confer upon Congress a vast and irresponsible authority, utterly at war with the well-known jealousy of Federal power which prevailed at the formation of the Constitution. The natural intendment would be that as the Constitution confined Congress to well-defined specific powers, the funds placed at their command, whether in land or money, should be appropriated to the performance of the duties corresponding with these powers. If not, a Government has been created with all of its other powers carefully limited, but without any limitation in respect to the public lands.

But I can not so read the words “dispose of” as to make them embrace the idea of “giving away.” The true meaning of words is always to be ascertained by the subject to which they are applied and the known general intent of the lawgiver. Congress is a trustee under the Constitution for the people of the United States to “dispose of” their public lands, and I think I may venture to assert with confidence that no case can be found in which a trustee in the position of Congress has been authorized to “dispose of” property by its owner where it has been held that these words authorized such trustee to give away the fund intrusted to his care. No trustee, when called upon to account for the disposition of the property placed under his management before any judicial tribunal, would venture to present such a plea in his defense. The true meaning of these words is clearly stated by Chief Justice Taney in delivering the opinion of the court (19 Howard, p. 436). He says in reference to this clause of the Constitution:

“It begins its enumeration of powers by that of disposing; in other words, making sale of the lands or raising money from them, which, as we have already said, was the main object of the cession (from the States), and which is the first thing provided for in the article.”

It is unnecessary to refer to the history of the times to establish the known fact that this statement of the Chief Justice is perfectly well founded. That it never was intended by the framers of the Constitution that these lands should be given away by Congress is manifest from the concluding portion of the same clause. By it Congress has power not only “to dispose of” the territory, but of the “other property of the United States.” In the language of the Chief Justice (p. 437):

“And the same power of making needful rules respecting the territory is in precisely the same language applied to the other property of the United States, associating the power over the territory in this respect with the power over movable or personal property; that is, the ships, arms, or munitions of war which then belonged in common to the State sovereignties.”

The question is still clearer in regard to the public lands in the States and Territories within the Louisiana and Florida purchases. These lands were paid for out of the public Treasury from money raised by taxation. Now if Congress had no power to appropriate the money with which these lands were purchased, is it not clear that the power over the lands is equally limited? The mere conversion of this money into land could not confer upon Congress new power over the disposition of land which they had not possessed over money. If it could, then a trustee, by changing the character of the fund intrusted to his care for special objects from money into land, might give the land away or devote it to any purpose he thought proper, however foreign from the trust. The inference is irresistible that this land partakes of the very same character with the money paid for it, and can be devoted to no objects different from those to which the money could have been devoted. If this were not the case, then by the purchase of a new territory from a foreign government out of the public Treasury Congress could enlarge their own powers and appropriate the proceeds of the sales of the land thus purchased, at their own discretion, to other and far different objects from what they could have applied the purchase money which had been raised by taxation.

It has been asserted truly that Congress in numerous instances have granted lands for the purposes of education. These grants have been chiefly, if not exclusively, made to the new States as they successively entered the Union, and consisted at the first of one section and afterwards of two sections of the public land in each township for the use of schools, as well as of additional sections for a State university. Such grants are not, in my opinion, a violation of the Constitution. The United States is a great landed proprietor, and from the very nature of this relation it is both the right and the duty of Congress as their trustee to manage these lands as any other prudent proprietor would manage them for his own best advantage. Now no consideration could be presented of a stronger character to induce the American people to brave the difficulties and hardships of frontier life and to settle upon these lands and to purchase them at a fair price than to give to them and to their children an assurance of the means of education. If any prudent individual had held these lands, he could not have adopted a wiser course to bring them into market and enhance their value than to give a portion of them for purposes of education. As a mere speculation he would pursue this course. No person will contend that donations of land to all the States of the Union for the erection of colleges within the limits of each can be embraced by this principle. It can not be pretended that an agricultural college in New York or Virginia would aid the settlement or facilitate the sale of public lands in Minnesota or California. This can not possibly be embraced within the authority which a prudent proprietor of land would exercise over his own possessions. I purposely avoid any attempt to define what portions of land may be granted, and for what purposes, to improve the value and promote the settlement and sale of the remainder without violating the Constitution. In his case I adopt the rule that "sufficient unto the day is the evil thereof."

JAMES BUCHANAN.

#### APPENDIX E

##### THE ORIGIN OF THE SCHOOL LAND GRANTS

The following is taken from Roger A. Freeman, "Taxes for the Schools," the Institute for Social Science Research, Washington, 1960, pp. 37-42:

##### "1. Federal and State Constitutions

"On its face the constitutional case is clear-cut and unequivocal. The Constitution of the United States does not mention education and declares in the 10th amendment, 'The powers not delegated to the United States by the Constitution, nor prohibited by it to the States are reserved to the States respectively, or to the people.' The U.S. Supreme Court expounded further:

"'Each State has all governmental powers, save such as the people, by Constitution, have conferred upon the United States, denied to the States, or reserved to themselves. The Federal Union is a government of delegated powers. It has only such as have been expressly conferred upon it and such as are reasonably implied from these granted.'"

"This is generally interpreted as meaning that education is outside the sphere of the Federal Government and reserved to the States and the people." The Founding Fathers intended to delegate to the United States only those functions which the States could not perform at all or not adequately. Few, if any, would have contended in 1787 that the States could not take care of the educational needs of the people.

"Some authors, however, have speculated on the reasons for the omission of education from the Constitution. Van Cleve Morris, School of Education, Rutgers University, wrote: 'It has been a puzzle to both educational and political historians why the Founding Fathers failed to include in the Constitution any mention of education.'"<sup>5</sup> He answered his own question 'In all likelihood,

Source: James D. Richardson, "A Compilation of the Messages and Papers of the Presidents," Bureau of National Literature, New York, 1897, vol. VII, pp. 3074-3081.

<sup>3</sup> *United States v. Butler*, 297 U.S. 1 (1936).

<sup>4</sup> It has, however, been contended that powers in education are implied in the Constitution. 'Although the framers of the Constitution did not provide specifically for the administration of education, they gave the Federal Government certain responsibilities involving education.'

"Beneficial Effects of Federal Aid to the States for Education, a report prepared in the Legislative Reference Service of the Library of Congress, 85th Con., 2d sess., 1958, p. 19.

<sup>5</sup> Van Cleve, Morris, 'Grass-roots-ism and the Public School,' *School and Society*, June 22, 1957.

they did not give the matter much thought at all, under the impression that education, by definition, was a private, religious, or philanthropic function.'

"Myron Lieberman, Graduate School of Education, Yeshiva University, stated similarly: 'Actually, education was not included as a Federal function in the Constitution because the idea of free, public education had not even occurred to the Founding Fathers.'"

"The suggestion that education was omitted by accident rather than intent was questioned by Carter Davidson, president of Union College:

"'Education was not left out of the Constitution of the United States because nobody thought about education. I can't believe that the gentlemen who attended the Constitutional Convention in Philadelphia in 1787, including men like Franklin and Madison and others who were very conscious of education in their own lives and the life of the Nation, left out education just because they didn't think of it. I believe it was omitted because they felt this was one of the concerns that must be left at the grassroots level; therefore, it is the States, the local governments, and private philanthropy which were intended to be the support of education in America.'"

"The delegates to the Constitutional Convention did discuss education, and debated a suggestion to establish a national university. But the proposal was defeated. Actually, public education in America far antedates the Constitution. Willard Givens, then executive secretary of the NEA wrote:

"'The concept of free public schools for all children began in the Colonies of the New World. The ideal of universal education was established by the time of the American Revolution.'"

"Frank W. Hubbard, then research director of the NEA wrote:

"'The Founding Fathers and many public leaders of the first two decades of the 19th century contended vigorously and successfully for certain principles: (1) that our form of government could not be successful without an educated citizenry; (2) that education was necessarily a function of government (that is, it is the business of the people as a whole); and (3) that public education (like all other public services) could not be satisfactory in quality and generally available unless supported by public revenues.'"

"Jefferson submitted a bill to establish a general system of free public schools at the first session of the Virginia Legislature after the Declaration of Independence (1779), and drafted a similar proposal 40 years later (September 9, 1817).<sup>10</sup> The concept of universal public education goes back much farther, to an act of the Massachusetts Bay Colony, commonly known as ye olde deluder satan law of 1647. The Massachusetts State constitution, adopted in 1780 (the oldest still in force), prescribes that 'it shall be the duty of Legislatures and Magistrates, in all future periods of this Commonwealth, to cherish the interests of literature and the sciences, and all seminars of them, especially the university at Cambridge, public schools and grammar schools in the towns; \* \* \*'<sup>11</sup>

"That the importance of education and its place in government was recognized at the time of the Constitutional Convention is clearly apparent from an oft-quoted statement in the Northwest Ordinance which was adopted by the Continental Congress on July 13, 1787—while the Constitutional Convention was deliberating.

*"'An ordinance for the Government of the territory of the United States northwest of the River Ohio*

*"\* \* \* Art. 3d. Religion, morality, and knowledge, being necessary to good government and the happiness of mankind, schools and the means of education shall forever be encouraged.' This was meant, to all intents and purposes, to be an admonition to the settlers and to the governments of the new territories and future States.*

<sup>10</sup> Myron Lieberman, 'Four Myths Cripple Our Schools,' the Nation, February 28, 1959, and the Education Digest, May 1959.

<sup>11</sup> Carter Davidson, 'The Alternatives—Federal Intervention-Voluntary Support.' Remarks at the workshop of the Commission on Colleges and Industry of the Association of American Colleges, Mar. 11, 1957, Indianapolis, Ind.

<sup>12</sup> Willard Givens, Schools for Our Times, Annual Report of the NEA, 1950/51, p. 2.

<sup>13</sup> 'Collier's Encyclopedia Reports on the White House Conference on Education,' 1956, p. 239.

<sup>14</sup> Saul K. Padover, 'The Complete Jefferson,' Duell, Sloan & Pearce, Inc., New York, 1943, pp. 1048 and 1072.

<sup>15</sup> The Constitution of the Commonwealth of Massachusetts, ch. V, sec. 11.

"It is impossible to find a more plausible explanation for the omission of education from the Federal Constitution than the one offered by Dr. Davidson: the Founding Fathers regarded education as a responsibility of the States and of private groups."<sup>12</sup>

"Richard G. Axt was undoubtedly right when he wrote in a report under the auspices of the Commission on the Financing of Higher Education: 'The notion that education should be a function of the new National Government rather than the States would have been received with alarm in 1787.'"<sup>13</sup>

"In eloquent contrast to the Federal Constitution, every State constitution contains a section on education. In language which often is quite emphatic it declares the maintenance and support of free public schools to be a responsibility of the State. Since 1889 congressional enabling acts for the admission of new States have stipulated: 'The schools, colleges, and universities provided for in this act shall forever remain under the exclusive control of the said State \* \* \*'<sup>14</sup>

"The Continental Congress went further than the credo on education in the Northwest Ordinance. In 1785 it authorized land grants for school purposes. This is held by many authors to have established the principle and precedent of Federal responsibility in education, even prior to the adoption of the Constitution. 'Early in its history the United States realized that free public education could not be provided by State support alone,' stated an NEA pamphlet.<sup>15</sup> Senators Hubert Humphrey and Wayne Morse declared in an appendix to the report of the Commission on Intergovernmental Relations 'that there has also been a historical pattern of some Federal aid to education since the Ordinance of 1785 \* \* \*'<sup>16</sup>

"Time and again these land grants are being cited as an early recognition of Federal responsibility. Did Congress so intend?

"The United States owned no land after the Revolutionary War. The 13 States held all nonappropriated lands, including claims to mostly unsettled areas west of the Appalachian Mountains. Jefferson and others were trying to devise means of attracting pioneers to move west and settle the virgin lands.<sup>17</sup> The Continental Congress on October 10, 1780, passed a resolution calling on the States to donate their western lands to the Confederation.<sup>18</sup> Seven of the Original Thirteen States which owned western lands (New York, Virginia, North Carolina, South Carolina, Georgia, Massachusetts, and Connecticut) ceded between 1781 and 1802 about 268 million acres.<sup>19</sup> Congress considered numerous plans of inducing families to migrate to lands which were then hard of access, dangerous, and of doubtful value. Repeated attempts to sell land brought few buyers. 'There simply was no real market for Federal lands in this period.'<sup>20</sup> Congress gradually learned a lesson it has applied many times since: the sure way to find a taker where there is no buyer is the grant or giveaway. On May 20, 1785, it adopted 'An ordinance for ascertaining the mode of disposing of lands in the western territory.' The act provided among other things: 'There shall be reserved the lot No. 16 of every township, for the maintenance of public schools, within the same township.'

<sup>12</sup> Paul R. Mort and Walter C. Reusser concluded in: 'Public School Finance,' McGraw-Hill, New York, 3d ed. 1960, p. 4: 'The lack of provision for education in the Federal Constitution at the time of its adoption cannot of course, be taken as indicating a lack of appreciation for the importance of education of the young at the time. Rather, it should be taken as a decision to leave this matter to the States or to the people as the individual States should decide.'

<sup>13</sup> Richard G. Axt, 'The Federal Government and Financing Higher Education,' published for the Commission on Financing Higher Education by the Columbia University Press, New York, 1952, p. 21.

<sup>14</sup> First used in Public Law 52, 50th Cong., for the admission of the Dakotas, Montana, and Washington. Virtual identical language was used in admitting Idaho, Wyoming, Utah, Oklahoma, New Mexico, Arizona, Alaska, and Hawaii.

<sup>15</sup> NEA, 'One Hundred and Sixty Years of Federal Aid to Education,' 1946; NEA Legislative Commission, 'Federal Responsibility for Education, It's Older than the Constitution,' 1958. Paul R. Mort and Walter C. Reusser, 'Public School Finance,' McGraw-Hill, New York, 2d ed. 1951, p. 19: 'The principle of Federal aid for public schools was established in the first land grants set aside for education and later in money grants made to the States.' However, in the 3d ed. of this textbook (1960, p. 4) the authors said: 'The policy, which had its origin in the granting of land in what is now Maine by the State of Massachusetts following the French and Indian War, was for the purpose of encouraging settlement.'

<sup>16</sup> The Commission on Intergovernmental Relations, 'A Report to the President,' 1955, p. 196.

<sup>17</sup> Benjamin Horace Hibbard, 'A History of Public Land Policies,' Macmillan, New York, 1924, pp. 2-5.

<sup>18</sup> Journal of Congress, VI, pp. 146-147.

<sup>19</sup> They comprise largely the present States of Ohio, Michigan, Indiana, Wisconsin, Illinois, and parts of Minnesota, Alabama, Mississippi, and Tennessee.

<sup>20</sup> Marlon Clawson, 'Uncle Sam's Acres,' Dodd, Mead & Co., New York, 1951, p. 46.

"Under this provision, which was later expanded, 77.5 million acres were eventually granted to the States for public school purposes. Altogether, under various laws, the Federal Government granted more than a billion acres for educational, homestead, railroad, and other purposes.

*"Disposal of Federal lands*

	<i>Million acres</i>
Homesteads-----	285
States for school and other purposes-----	185
Railroad construction-----	131
Military bounties and private claims-----	95
Timber and stone grants-----	35
Cash and miscellaneous-----	300
	<sup>a</sup> 1,031

<sup>a</sup> Ibid., p. 93.

"Neither railroads nor homesteaders nor other beneficiaries who in the aggregate received 92 percent of all Federal land grants ever claimed that the grants established a precedent for continued support from the Federal Government. Some authors, however, have asserted that such precedence was established in the case of the schools.

"The areas in which school land grants were made available, contained barely 1.5 percent of the American people in 1800. All but a tiny fraction of the more than a million American children lived in the original 13 States and 5 others (Kentucky, Tennessee, Maine, Texas, and Vermont) which received no school lands. Educational institutions in those 18 States were few and far between and not many of the children were attending school regularly for an extended time.

"We may ask: If promotion or support of education was the impelling motive for the school land grants, why was not some provision made for the areas where virtually all American children lived and needed an education? Is it possible that Congress deemed worthy of consideration only the educational needs of the children whose parents, it was hoped, would move to the wilderness areas and form towns and villages?

"H. C. Taylor remarked correctly:

"There seems to have been no clear consciousness on the part of the committee or of Congress of the full significance of this educational provision. Apparently, it was viewed only as a selling point for the disposal of the western lands in compact settlements. The thought of laying a permanent foundation for a public school system seems not to have entered into the discussion of the matter.' <sup>22</sup>

"The more closely we study the history of the early land grants the more obvious it becomes that they were intended to induce migration to, occupation, and cultivation of the Indian lands rather than to support education. The Study Committee on Federal Responsibility in the Field of Education of the U.S. Commission on Intergovernmental Relations found: 'The major purpose of the grants was to promote the settlement of the newly opened lands in the West.' <sup>23</sup> This should settle, once and for all, one aspect of the dispute over Federal activity and responsibility in education: they do not go back to the early days of the Constitution.

## APPENDIX F

### ARMED FORCES REJECTIONS AND SCHOOL EXPENDITURES

The following is taken from Roger A. Freeman, "Taxes for the Schools," the Institute for Social Science Research, Washington, 1960, appendix A, pp. 399-401:

"Several authors have cited high draft rejection rates in some States as proof that inadequate school support and lack of educational opportunity in certain areas deprive the Nation of part of its manpower for defense, and result in an unequal distribution of the military burden among the States. A study of the

<sup>22</sup> H. C. Taylor, 'The Educational Elignificance of the Early Federal Land Ordinances,' New York, 1922, p. 13.

<sup>23</sup> Commission on Intergovernmental Relations, 'A Study Committee Report on Federal Responsibility in the Field of Education,' 1955, p. 43."

selection program reveals that Armed Forces tests aim to measure mental capacity, not educational achievement, that they weed out the untrainable, not those who attended low-cost schools.

"Supporting a Defense Department request for congressional permission to raise acceptance standards (above the 10 percentile points allowed by the 1951 law), the Assistant Secretary of Defense for Manpower, Personnel, and Reserve, testified that draft registrants presently rejected are in the lowest mental category and that 'these boys who can't pass this test are completely untrainable.' (Hearing before the Committee on Armed Services, U.S. Senate, 85th Cong., 1st sess., 1957, pp. 3-5.)

"Table I shows mental and medical rejection rates for the 48 States in 1958, with the States arranged in the order of school expenditures per pupil, from the highest to the lowest. The top 12 States have a median expenditure of \$348 and a rejection rate of 13.1 percent. The two next lower groups of 12 States have median expenditure of \$315 and \$272 but much lower rejection rates than the top group: 8.1 percent and 8 percent respectively. The 12 States at the bottom of the expenditure scale (\$189 median) have a very high rejection rate—30.1 percent. But even this lowest group includes States, such as Utah and Maine (ranking 37th and 38th on the expenditure scale), with rejection rates of 7.8 and 9.8 percent, or about half the rate of the States with the very highest school expenditures in the Nation. At the same time, there are States such as Louisiana and Florida with much higher expenditures and high rejection rates of 38.8 percent and 30.3 percent.

"The more closely table I is analyzed, the more obvious it becomes that mental rejection rates are not related to the level of school expenditures. The apparent trend in medical rejections—they decline parallel to school expenditures—suggests that physical reasons rather than the level of school expenditures may bear a causal relationship to Armed Forces rejections.

"The Study Committee on Federal Responsibility in the Field of Education of the Commission on Intergovernmental Relations, after studying much material (some published, some restricted) concluded: 'The available evidence fails to show that the failure rate in Armed Forces tests of mental capacity is related to educational attainment or that it is the result of lack of educational opportunity.'<sup>1</sup>

---

<sup>1</sup> Report, p. 91.



"TABLE 51.—Failures in Armed Forces tests and school expenditures

	Expendi- tures per pupil 1955-56	Failure rate in mental tests 1958, percent	Failure rate in medical tests 1958, percent	Medians of 4 groups		
				Expendi- tures per pupil	Failure rate	
					Mental tests, percent	Medical tests, percent
New York.....	\$425.61	17.7	23.8	\$348	13.1	22.6
New Jersey.....	381.96	17.1	18.5			
Delaware.....	365.35	16.0	25.7			
Oregon.....	356.53	3.2	22.3			
Illinois.....	353.48	13.8	17.4			
Montana.....	348.56	2.8	24.9			
Nevada.....	348.31	13.6	22.9			
Wyoming.....	344.77	4.4	20.8			
California.....	343.54	12.6	20.9			
Connecticut.....	340.87	15.4	20.3			
Wisconsin.....	334.91	6.8	27.3			
Pennsylvania.....	333.45	9.6	24.1			
Washington.....	332.11	3.6	27.9	315	8.1	22.2
Michigan.....	330.40	9.6	19.9			
Massachusetts.....	328.20	8.9	25.6			
Rhode Island.....	324.92	13.6	27.8			
Minnesota.....	324.57	4.5	25.8			
New Mexico.....	318.01	16.5	12.7			
Arizona.....	312.35	16.3	21.9			
South Dakota.....	309.49	7.1	22.3			
Colorado.....	305.58	7.3	22.5			
Iowa.....	299.05	3.0	26.0			
Maryland.....	297.09	20.7	18.0			
Kansas.....	294.68	4.8	21.3			
Indiana.....	291.22	7.8	19.9	272	8.0	19.3
North Dakota.....	286.80	6.5	10.9			
Ohio.....	282.91	8.3	22.5			
New Hampshire.....	282.64	5.8	25.8			
Louisiana.....	281.68	38.8	10.8			
Nebraska.....	277.51	5.0	26.5			
Texas.....	265.23	17.0	20.6			
Missouri.....	263.94	10.1	17.5			
Vermont.....	262.66	7.8	31.4			
Florida.....	257.60	30.3	15.3			
Oklahoma.....	249.35	8.1	18.6			
Idaho.....	245.89	4.4	18.7			
Utah.....	240.50	7.8	24.6	189	30.1	14.7
Maine.....	221.52	9.8	22.4			
Virginia.....	213.50	29.0	12.5			
West Virginia.....	197.18	18.9	17.7			
Georgia.....	194.03	36.7	15.1			
Tennessee.....	188.95	25.4	15.4			
North Carolina.....	188.69	31.2	14.3			
South Carolina.....	188.09	52.6	8.1			
Alabama.....	187.64	35.9	12.8			
Kentucky.....	168.26	25.1	15.1			
Arkansas.....	160.47	33.6	8.4			
Mississippi.....	157.47	40.1	8.9			
Total.....	294.22	18.0	19.0			

"Source: School Expenditures—U.S. Office of Education, 'Statistics of State School Systems, 1955-56,' p. 110. Armed Forces Failures—'Health of the Army,' February 1959."



## APPENDIX G

The following is taken from Roger A. Freeman, *Taxes for the Schools*, the Institute for Social Science Research, Washington, 1960, pages 36, 61, 389-390:

"American public schools have historically been supported and controlled by State and local governments. But even here centralizing tendencies are apparent. The Problems and Policies Committee of the American Council on Education and the Educational Policies Commission of the NEA and AASA declared in a joint statement in 1945:

"It is the mature conclusion of the commissions responsible for the issuance of this report that a continuance of recent and current trends in Federal-State relations in education will, within a measurable period of time, transfer predominant responsibility for the control of education in the United States from the States and localities to the National Government. Already we have traveled further along this road than is generally realized."<sup>1</sup>

"Fifteen years later, Edgar Fuller, executive secretary of the Council of Chief State School Officers, declared at a session on Federal-State relations in education that 'the trend toward more centralized agencies in education is moving faster than most of us imagine. State school officers must assume leadership in meeting the changes that are inexorable, or we shall find others leading while we are left to fight a rear guard action against Federal education programs we do not like.'"

"The two commissions, whose 1945 statements we cited above, expressed their belief at that time that the centralizing trend runs contrary to the word and spirit of the Federal and State constitutions and to the wishes of the overwhelming majority of the American people, and that it expresses not a deliberate course of policy but rather is the result of a multitude of measures, adopted to meet specific problems without due consideration of their overall effect.

"The earlier quoted report on 'Federal-State Relations in Education' of the NEA and the American Council on Education stated:

"If education becomes federalized in the United States it will not be because the people want this to happen. At no one time will they clearly and decisively take action to make the National Government the predominant agent of educational control.

"Rather, national control of schools will come by a process of accretion and infiltration. This is how it has happened thus far. It will come, not because the people approve a policy of gradually shifting predominant educational control from the States and localities to the Nation. Rather it will result from responses to many small emergencies and from the pressures of many special interests."<sup>2</sup>

"The record of the 15 years which have passed since this was written inspires little confidence that the 'pressures of the special interests' will be resisted more firmly in the future than they have been in the past.

"When during the 1930's emergency programs channeled funds for school construction and other activities directly from the Federal dispensing agencies to local school systems, the NEA and AASA recognized the link between the source and control of funds, even in a 'brick-and-mortar' program. They declared in 1945:

"Increasing federalization of education has also been brought about in recent years by groups anxious to secure public funds for various undertakings and purposes. Washington has furnished a setting favorable to the accomplishment of their ends. Through political maneuvering they have been able to obtain Federal funds for undertakings and purposes which the States and localities have not been willing to finance'.<sup>100</sup>

<sup>1</sup> American Council on Education and NEA, 'Federal-State Relations in Education,' 1945, p. 10.

<sup>2</sup> 'The School Administrator,' June 1960, p. 3.

<sup>100</sup> Op. cit., pp. 12-13.

<sup>100</sup> NEA and AASA, 'Federal-State Relations in Education,' 1945, p. 15. This is, indeed, a rare case of a special interest group describing the ill effects of its own activities—although this was, of course, not the intention of the authors who were referring to some other groups rather than to themselves. They saw the mote in somebody else's eye but not the beam in their own."

Mr. FREEMAN. The fact is, Mr. Chairman, that most of the school administrators, who have testified in favor of Federal aid on a grant-type basis. But when the Governors of the States were canvassed by the House Committee on Labor and Education 2 years ago, the great majority of the Governors spoke out very strongly against Federal aid to education in unmistakable terms.

Not one of the tens of thousands of State and local boards of education has appeared before congressional committees to testify in favor of Federal aid to education for at least 5 or 6 years, which is, as far as I ever checked back, Senator. But several have testified against it. The National School Boards Association has refused repeatedly to endorse Federal aid to education.

Now, I would like to discuss for a few minutes the enrollment outlook because what we are concerned about here, I believe, is the question of how much money the schools will need.

It was previously mentioned in the hearings that the tidal wave of enrollment is almost over. It is not that entering classes, will be smaller, but we are now entering the time where the war babies and the postwar babies, are starting to graduate, so that the difference between the entering classes and the graduating classes will shrink and, to be specific, the increase in pupils in the second half of the 1960's will be, on an average, only about half as much as it was in the past 5 years. That, of course, has a very decided effect on the requirements of the schools in financial terms.

Now, a few words about the classroom shortage which has played such an important role in the discussions of the past 10 years. It has been pointed out before how much the so-called shortages have fluctuated.

It was in 1954 that the Commissioner of Education testified that the classroom shortage totalled 370,000 classrooms; and about a year later the chairman of the Senate Committee on Labor and Public Welfare stated that the shortage would rise to 600,000 within 3 years.

Well, actually the most recent figure which the Office of Education has put out is 142,000, which is 370,000 less than a mere 6 years ago.

But even the new figure is not reliable, as is quite evident from a detailed analysis. The estimate has changed so much from year to year and from State to State that I doubt if very much reliance can be placed upon it.

One statement was inserted in the Congressional Record just about a month ago, which quoted figures of the U.S. Office of Education, and said about this:

In the past 4 years the number of classrooms in use has increased 251,000. Now, the number required to take care of the additional enrollment in that time, which was 4.8 million, would have been 170,000 which means that the net increase in classrooms that were available for the reduction of shortages was 81,000.

But the shortage reports of the Office of Education in the meantime were reduced by only 17,000, and what has happened is this, sir: That some of the States, several each year, have reevaluated their needs and have, in some years, increased their shortages by 5,000 or 10,000 classrooms.

On the average during the past 4 years, the reevaluations have upped the shortage by about 16,000 classrooms each year.

On this basis, obviously we could go on indefinitely to have a big shortage. It seems to me that this game of the shortage reports and of construction is somewhat like greyhounds chasing a mechanical hare; the mechanical hare always stays ahead.

The fact is that over the past 10 years States and communities have built over 600,000 classrooms; that the added enrollment required 400,000 classrooms, which means that about 200,000 classrooms were available for, first, the reduction of shortages or class sizes and, second, for the replacement of obsolete or old buildings.

It seems to me that this record is a vivid testimony to the faith of the American people in education. They have voted in thousands of elections for higher taxes and for school bond issues.

To give you just one comparison, the Russians, who usually do not understate their claims, I would say, have claimed that since the war they have built classrooms for 9 million children.

In the United States we have built public classrooms for close to 20 million, and private classrooms for another 1½ to 2 million children, and we have fewer people in the United States than there are in the Soviet Union. So I think we are doing quite well as far as classroom construction is concerned.

Much confusion has existed about the so-called shortages and they were very seriously questioned by the examiners of the Bureau of the Budget who went on a field trip just about a year ago to nine States and came back with a report that questioned some of the claims. More recently they also questioned the current report that winds up with 142,000 shortage. That report was completed last December 1.

The Bureau of the Budget objected to it, and the Secretary of HEW held it up until the last day that he was in office, January 19, and then released it. The former Secretary, of course, is the one to whom I refer.

However, I believe that the outlook in classroom construction is quite simple and does not require very complicated mathematics.

The President, in his education message on February 20 said that to take care of all the needs there ought to be built 600,000 classrooms in the next 10 years, that is 60,000 a year.

I may mention here, Mr. Chairman, that in a book which I wrote 3 years ago I came up with exactly that figure.

In the past 5 years States and communities have been building an average of 70,000 classrooms a year, which simply means that the present volume of construction will not have to be maintained through the 1960's, it can actually decline very materially, and still provide all the classrooms which the schools will need to meet all reasonable demands.

Moreover, there is no sign or indication of a decline in school construction. Quite the contrary. The year 1960 established a new all-time record both in the volume and the approval percentage of school bond issues, \$1.8 billion in 81 percent approval.

Now this, I think, refutes the statements that have been made about a taxpayers' revolt. There is no such thing as a taxpayers' revolt, surprising as it might seem.

The Department of Commerce has estimated that public educational construction in 1961 will increase 8 percent over 1960 and, in fact, in January, which is the only month for which we have figures

so far, they just came out last week, public educational construction was up 19 percent over the corresponding period a year ago.

So, in other words, there is no indication of a decline in school construction, although somewhere along the line in the 1960's school construction will decline, simply because annual enrollment increases will be cut in half, and there is no question about it, according to the projection of the U.S. Bureau of the Census.

Senator DIRKSEN. Mr. Freeman—

Mr. FREEMAN. Yes, sir?

Senator DIRKSEN (continuing). You have a breakdown by States showing the number of school bond issues voted and approved for, let us say, calendar 1960, maybe 1959, 1958, and then for the first month of 1961?

Mr. FREEMAN. For the year 1960, those figures have been compiled by the Investment Bankers Association of America. They maintain a current record of this, and I could contact the association and make the figures available for 1960.

The figures for January 1961 I do not believe are available in detail, but I will see to it that whatever information is available is supplied to the committee.

Senator MORSE. The record will show that when the witness supplies the material on the school bond issues, it will also include, if available to you, Mr. Freeman, those school bond elections at which school bonds were rejected.

Mr. FREEMAN. Yes, sir.

Senator MORSE. As well as those voted for.

Mr. FREEMAN. It will not list individual issues, but there is a State-by-State breakdown of the totals. But if you wish individual issues, I believe that could be reproduced from the records of the Investment Bankers Association of America, which does keep that record.

Senator MORSE. I imagine in executive session the discussion will involve not only the school bond issues that were approved, but also those that were voted upon and rejected.

Mr. FREEMAN. Yes, sir.

Mr. FREEMAN. I would also like to refer shortly to something that was already mentioned before that, when a statement was made, or several statements were made a year or 2 years ago that thousands of school districts have exhausted their capacity, that the Department of HEW made a telegraphic survey and, I understand, that 237 districts were reported to have exhausted their bonding capacity. No investigation was made to verify the 237 districts. I would like to mention that the concept of capacity differs, and most of the cases of so-called exhausted bonding capacity are due only to the fact that in most jurisdictions, property is assessed at a fraction of the value at which it is supposed to be assessed under the provisions of the constitutions of those States.

In other words, the so-called exhaustion of the bonding capacity is not due to the mandate of the constitution of the State, but due to local administrative abuse and to a breach of the provisions of the State constitutions.

Now, Mr. Chairman, I would like to say a few words about the teacher shortage.

The Office of Education used to issue statements every year on the size of the teacher shortage. In 1953, it was placed at 72,000, and 1959 it was placed at 195,000.

At that point the criticism became so severe and, in fact, I would say so sarcastic, that last year the Office did not publish any statement of the teacher shortage, and simply left a white sheet in that place where in the past the teacher shortage used to be reported.

The available statistics indicate that, on the whole, education has done far better than any other sector of the economy in terms of manpower.

The one comparison I have here in my testimony compares the increase in employment in (a) public education and (b) in private industry.

Public education in that case includes both higher and lower, because these statistics of the Department of Commerce do not have a breakdown between higher and lower. Here are the figures over the past 30 years.

The increase in employment in public education was 140 percent. In private industry the increase was 45 percent; and I would like to mention that the increase in the population of the United States over that period was 45 percent, exactly the same as the increase in enrollment in public education.

Now, if we view the public schools excluding higher education, you will find that consistently over the period which we can follow, which is back to 1900, proportionately more teachers were added to the payroll than students. Over the period from 1900 to 1961 the increase in enrollment was 140 percent, and the increase in teachers was 250 percent.

To be specific, the pupil-teacher ratio which in 1900 stood at 35.6, in 1930 was at 29.2, and in 1961, in the current school year, according to estimates of the National Education Association, is 24.4.

If you only take the past several years and include only the teachers who have certificates, eliminating the so-called substandard teachers, you have this picture; that is the period over which, according to the Office of Education, the teacher shortage increased so tremendously.

The increase in the number of certificated teachers was 40 percent, and in pupil enrollment 29 percent.

The number of pupils per certificated teacher declined by 2.4; in other words, it was reduced from 28.4 to 26.

What the pupil-teacher ratio should be is a matter of opinion. There have been close to 200 research studies undertaken over the years, many of which tried to prove that children learn more in small classes than in large.

However, the studies were unable to prove this. In fact, the majority of studies, to everybody's surprise, and they were objective studies undertaken by researchers, seemed to indicate the opposite, for some reason, the reason for which I do not know.

The children in the larger classes actually had progressed more in terms of skills and knowledge.

The detail and the proof of this is in a book, "School Needs in the Decade Ahead," which I wrote 3 years ago. The facts are largely taken from the Encyclopedia of Educational Research, which is a big volume, and I do not want to quote any more, but the data are available if you wish them.

Now, coming to the outlook for the teachers' supply, we find it to be favorable for a very simple reason: The percentage of college students who prepare for teachers' certificates has risen from 21 percent in 1948 to 32 percent in 1955, and has since remained stable.

The number of bachelors' and first professional college degrees is projected by the Office of Education almost to double over the next 10 years, the reason being, of course, that the war babies now are getting to be of college age, as you know.

To be quite specific, the number of earned college degrees was estimated at 387,000 in the year 1959, and at 703,000 in the year 1969. That is an increase of 82 percent. So if the percentages of college students going into teaching just remains the same, in the past it has increased, but supposing it remains the same, it would be increasing the number of newly graduated teachers by 82 percent.

But I would like to remind you that over the same period the enrollment increases will be cut in half. During the 1950's, the increase in enrollment was 46 percent and in the 1960's, the increase will only be 20 percent.

The Office of Education about 2 months ago issued a major report on "Staffing and Constructing Public Elementary and Secondary Schools." In that report it estimated that over the past 5 years the annual required increase in instructional staff in the public schools averaged 60,000 per year.

In the years between 1965 and 1969, the average required increase will be 25,000 teachers, less than half as many as in the past 5 years.

So what we are facing through the 1960's is a doubling of the new supply and a halving of the requirements for additional teachers.

In other words, it seems to me what we are facing by the late 1960's is not a shortage but a surplus of teachers. It may be difficult for them to find jobs.

It has been widely stated that teachers are underpaid. It seems to me that this statement is too sweeping. Some teachers undoubtedly are underpaid, but I would not say that all are underpaid. The Department of HEW proposed teachers' salaries be increased by 50 percent in 5 years. But 2 years ago the then Secretary said they should be increased by 100 percent, so the proposed increases fluctuate, but I would like to point out this: Over the past 30 years teachers' salaries in constant dollars increased 106 percent; the wages of all workers who work for wages and salaries, 91 percent; and of Federal civilian employees 73 percent. That raises some doubts on how well the teachers would have fared or would fare in the future if their pay were tied to the Federal payroll.

The question was raised this morning about the comparative salaries of women teachers and of other women college graduates, and I do have the figures here which I would like to submit.

Senator MORSE. The figures will be inserted in the record.

(The data may be found on p. 657.)

Mr. FREEMAN. Yes. There was a survey by the Women's Bureau in the U.S. Department of Labor of women college graduates of 1955, a very comprehensive survey, and this is what it showed:

Two-thirds of the women college graduates had become teachers, and their average annual salary was \$3,197, while the average salary of those in other jobs was about \$150 less. It should also be taken



into consideration that teachers work about 180 days a year while most of the other professions listed in this list work about 240 days a year.

Now, this survey was repeated in 1956 and in 1957, and the results in each case were roughly identical.

Now, there is a more recent survey available. It was prepared by the U.S. Bureau of the Census at the request and, I believe, at the expense, I am not quite sure, but I believe at the expense of the National Education Association. The association published it in the report on economic status of teachers in 1959-60, and here are the results, Mr. Chairman.

The median salary of all women teachers in the public schools was \$3,748. Women in all noneducational professions had an average salary of \$2,619, which is \$1,100 less than the teachers in the public schools.

There are further breakdowns here about those who have completed certain educational requirements. There are certain breakdowns about those who worked 27 to 48 weeks, and so on. They all present about the same picture; namely, that women who work as public school teachers do better than their college classmates who work in other professions.

There are a few exceptions, of course, but on the average, the schoolteachers do far better than women who choose other careers.

Senator MORSE. Mr. Freeman, is there a table in that report you would like to have inserted in the record at this point?

Mr. FREEMAN. The table is quite comprehensive. Would you wish the whole table, or an excerpt? If you wish the whole table—

Senator MORSE. I will follow your judgment.

Mr. FREEMAN. Yes, sir; I will have that inserted in the record.

Senator MORSE. While I have interrupted you, I would like to have you summarize in a couple of minutes so you can take over questions, I have given you 45 minutes. I thought you should have more than the 15 minutes of allotted time, because so many people have been appearing on the other side, and I thought it was only fair that you should have more time. But in view of the schedule the chairman has to keep this afternoon, it is going to be necessary to have you end your testimony in another 2 minutes. Then you will be subject to cross-examination.

Mr. FREEMAN. Yes, sir.

Senator GOLDWATER. Mr. Chairman, might I make the request now that his prepared statement—

Senator MORSE. It is all in; his whole statement is in.

Senator GOLDWATER. Fine.

Senator MORSE. He was proceeding to summarize his statement. It is all in.

Mr. FREEMAN. So, Mr. Chairman, I would like to spend the remaining 2 minutes on the general outlook for public school finance.

Senator MORSE. May I also make very clear, Mr. Freeman, that you are also authorized by the chairman to file any supplemental statement over and above the one you have already filed—

Mr. FREEMAN. Yes.

Senator MORSE (continuing). On any matter that you have not already covered that you want to cover.



Mr. FREEMAN. Thank you, Mr. Chairman.

The record shows that expenditures for education in the United States have risen at a spectacular rate.

If we take all education now, higher and lower, public and private, we find that between 1940 and 1961 the increase in enrollment was 64 percent, and the increase in expenditures 713 percent; and if you allow for the fact that the dollar lost approximately half its value, the increase was still 306 percent in expenditures, and 64 percent in enrollment.

This is, I think, nothing less than spectacular.

Expressed as a percentage of the national income, expenditures for education increased from 1.4 percent in 1890 to the most recent estimate, about 6.1 percent in the current year.

This is far ahead of the spending increase for other purposes.

Again if we take the last 30 years, and I would like to mention that most economic statistics of the Department of Commerce are available only back to 1929, that over that period of 30 years, public school expenditures increased 611 percent, personal consumption 315 percent, and corporate profits 177 percent.

Now, the outlook for the next 10 years, I believe, is quite simple. It is this:

Over the past 10 years, enrollment increased more rapidly than gross national product in constant dollars; enrollment in the public schools increased about 44 percent, and GNP in constant dollars 38 percent. But school revenues increased at a more rapid rate.

Now, looking at the next 10 years, the enrollment will increase about 20 percent. But the best estimate is that GNP will increase not at a lesser rate than in the last 10 years and hopefully at a faster rate.

So we face the fact that in the next 10 years enrollment may increase 20 percent, GNP or national income, which move roughly parallel, 40 percent or more.

Since we were able to increase school support faster than enrollment at a time when GNP increased at a slower rate than enrollment, why should it not be far easier to support the schools adequately when the Nation's resources, will rise at at least twice the rate of enrollment?

It seems to me, therefore, that the past record indicates rather clearly that the present arrangements for school finance have worked exceedingly well. They have enabled the United States far to exceed almost all other countries and, possibly, all other countries.

International statistics are not always comparable, but probably all other countries are behind the United States in the support of education to the envy of our visitors who have visited this country.

This does not seem to me to be a justification for making a change in the basic arrangements of the financing of education.

Thank you, sir.

(The prepared statement of Mr. Freeman follows:)

PREPARED STATEMENT OF ROGER A. FREEMAN, CLAREMONT, CALIF.

My name is Roger A. Freeman. I am a research associate at the Institute for Studies in Federalism at Claremont Men's College, Claremont, Calif., and also connected with the Institute for Social Science Research in Washington. I am appearing before your committee at the invitation of your chairman. I

received his telegram asking me to testify only last week and, because of other commitments, have had to prepare this statement in considerable haste. For this reason, I request that I be permitted to edit my testimony before it is inserted in the record of the committee.

For the information of your committee, I would like to state that I directed the research of the Education Committee of the U.S. Commission on Intergovernmental Relations in 1954-55, served as a consultant on school finance to the White House Conference on Education, and subsequently worked in the White House Office, Executive Office of the President, before I entered upon my present assignment. Previously, I had been assistant to the Governor of the State of Washington for about 6 years. Opinions I may express are entirely my own and do not in any way aim to reflect the views of any of the organizations with which I am or was connected.

School revenues have shown a consistent rise in the postwar period, when measured against the national income, and virtually all of those who in recent years have studied the outlook for school finances are agreed that taxes for school purposes are likely to continue to climb over the next 10 years.

TABLE 49.—*Public school revenues as a percentage of the national income, 1946-61*

	Percent		Percent
1945-46-----	1.7	1959-60-----	3.4
1949-50-----	2.4	1960-61 (estimate)-----	3.5
1954-55-----	2.7		

There is, however, no agreement on the type of taxes—income, sales, or property—which ought to be increased, nor on the levels of government—Federal, State, or local—which should accept the responsibility for it.

The National Tax Association, the country's leading professional society of teachers, administrators, and practitioners in the field of taxation, appointed in 1957 a committee on the financing of public education and gave it the assignment to study and report on the financing of the public elementary and secondary schools. The committee, under my chairmanship, has been at work for over 3 years and completed its report in January 1961. It recommends various methods by which school revenues can be lifted to a level of about \$24 billion by the end of the 1960's. On some policy issues a majority and a minority view is expressed. In my testimony I intend to lean heavily on the findings of that committee in regard to sources of taxation for school purposes.

The report itself will appear in the "Proceedings of the 53d Annual Conference on Taxation," now in the printing stage, and scheduled to be published in April 1961. I am submitting a copy of the report for the information of your committee and any use it may wish to make of it.

Most of the bills which are under consideration by your committee would increase the Federal school contribution, which so far has been relatively small, by amounts which equal 5 percent of the school budget or less. Most of the Federal support to this date has been in the form of agricultural commodities or other school lunch aid and in the nature of payments in lieu of taxes to federally impacted areas. The grants-in-aid for educational school programs equal less than 1 percent of the school budget and slightly over one-tenth of 1 percent of the Federal budget.

The legislative proposals for Federal school aid before the 87th Congress may be classified as follows:

(a) Grants for general school support; this includes S. 8 by Senator McNamara, S. 723 by Senator Cooper, and S. 1021 by Senator Morse.

(b) Grants for school construction; this includes S. 433 by Senator Dirksen (some bills before the House of Representatives also propose loans).

(c) Sharing of certain Federal revenues with the States, with the proceeds earmarked for education; this includes S. 293 by Senator Cotton.

(d) Federal income tax credits for payment of local school taxes or tuition payments; this includes S. 991 by Senator Goldwater and S. 792 by Senator Keating.

#### 1. THE EFFECT OF FEDERAL AID ON SCHOOL FINANCES

Most of the school aid bills before the 87th Congress would allocate between \$250 million and \$1 billion in Federal funds annually to the States, with the typical amounts around \$700 million.

The public school budget now totals over \$16 billion and it is projected to rise to at least \$24 billion, and possibly as much as \$31 billion, by the end of the

1960's. It is apparent that the bills now under consideration would make only a minor contribution—barely more than a token—to the overall requirements of the schools and leave most of the problem of augmenting, within 10 years, school funds by between 75 percent and 100 percent with the States. These proposals either assume that the States have the capacity to raise, for example, \$23 billion or \$30 billion a year for the schools but cannot raise the 1 additional billion or they are intended as the start of a Federal program which, within a few years, will climb to between \$5 and \$8 billion annually.

It is difficult to predict what effect these proposals would have on the level of school finances. States and communities have been increasing their school support more rapidly than has generally been expected. For example, the White House Conference on Education proposed that school funds be doubled within 10 years. But in 6 years which have since passed, school revenues rose at a decennial rate of 153 percent, and the increase between 1950 and 1960 equalled 152 percent.

The growth in school support in the postwar period has been on an accelerating rate. Increases in school revenues averaged \$527 million annually in the 7 years 1945-46 through 1952-53; \$940 million annually in the 8 years 1953-54 through 1960-61. The increase in each of the past 2 years exceeded \$1 billion. Better than 95 percent of these amounts were provided by States and communities. The crucial question is whether State and local support will continue to improve at its current rate if Federal funds are made available for school purposes.

Several of the bills such as S. 1021 (H.R. 4970), S. 8 (H.R. 446), or S. 723 would impose upon States whose expenditures or effort decline, and two of the bills require certain year-to-year increases. But even the comparatively stringent formula in S. 1021 would exempt most States from penalties and could not prevent States from a material slowdown in the improvement of State and local support.

Federal school aid has widely been proposed as an alternative to higher State and local taxes. For example a recent report stated: "In Pennsylvania, Governor Lawrence holds off proposing any substantial increase in State aid for schools in the new budget; he looks instead to Congress to authorize Federal educational grants for States."

That this view is neither new nor unique is apparent from something that Woodrow Wilson wrote in 1886 when Federal aid was being debated in Congress as intensely as it is today: "It was evident that no increase in the State appropriation for public education would be voted as long as there was the least prospect of aid from Washington \* \* \* [there was] deliberate determination to enjoy the easy position of a beneficiary of the National Government to the fullest possible extent, rather than to be independent and support a good school system by its own unaided efforts."

It is very doubtful whether States and communities will continue to raise school support from their own sources by a billion dollars each year if a program of Federal aid is adopted. At least part of the Federal funds would thus serve as a substitute for State and local support rather than as an addition to the school budget.

If, for example, it were assumed that the funds under the President's program (S. 1021 and H.R. 4970) were divided equally between construction and teachers' salaries, the picture might be as follows: \$333 million could build approximately 7,500 classrooms, or slightly more than 10 percent of the 70,000 now annually built by States and communities. If about one project in five were eligible for Federal matching many boards of education would tend to defer their building plans for one or several years until they too become eligible. School bond issues—now at a record high both in amount and in approval percentage—might fail more often, as many communities would be reluctant to approve proposals which carry no Federal funds.

If the other half of the Federal appropriation were applied to teachers' salaries (thus not augmenting the number of teachers but raising their salaries) it would finance a salary increase of about \$200 in the first year of the program and of another \$30 in each of the 2 succeeding years. States and communities have increased teachers' salaries by an average of \$230 in each of the past 8 years. Would State legislatures and communities be as willing as they have been to vote for higher taxes for raising teachers' salaries if Federal aid for that purpose were made available?

Such questions are difficult to answer but they must be taken into consideration when considering the various aid proposals. It is doubtful whether programs which supply relatively small amounts of Federal funds would raise the

overall level of school finances by very much. They would accomplish their purpose, however, if the substitution of Federal funds for State and local funds as such is held desirable because it would enhance the influence of the professional administrators upon school policies. It certainly would make them less dependent upon the goodwill and approval of State legislatures, boards of education, communities, and parents.

## 2. THE EFFECT OF FEDERAL AID ON SCHOOL CONTROL

Most of the bills declare that they intend to leave the control of education with the States and several bills specifically forbid Federal departments or employees to exercise control over the schools. There is however a considerable difference in the effect which the several types of plans would have on the making of educational policy.

The proposals for tax credits or for the sharing of revenues would leave the power of making decisions about where it is now located. They would use the Federal tax machinery for educational purposes by one of two methods: They would either channel federally collected funds to the States or they would enable States and communities to collect higher taxes and fees whose burden would be borne by the general Federal taxpayer rather than by the communities which make the expenditure.

Particularly some of the tax credit proposals would tend to strengthen the influence of parents, and of local residents in general, upon school affairs, and distribute benefits fairly to all children. They would run counter to the suggestion which has received considerable attention in recent years, that the influence of the professional educators and administrators upon school policies ought to be broadened and reinforced.

One objection to tax sharing proposals has been that they would, so to speak, leave the money where it is, in other words not redistribute the funds as between high-income and low-income States. This is correct. But the effect of the so-called equalizing aid formulas in narrowing the fiscal capacity among the States is very small. The difference in the size of the grant between the highest and the lowest States in the administration bill (S. 1021 and H.R. 4970) is \$4.45 per capita of population. The incidence of Federal taxation among the States varies from \$961 to \$178 per capita, which is a difference of \$783. In other words the differential impact of Federal taxation is more than a hundred times greater than the impact of the distribution formula in the proposed school grant program would be. The effect of the program in more nearly equalizing fiscal capacity among the States would be diminutive compared with the working of the Federal tax system.

The House of Representatives twice adopted an amendment which would have employed the revenue sharing principle for educational purposes, once in regard to 1 percent of the income tax collections and once in regard to 25 percent of the cigarette tax collections. Both actions were subsequently rescinded.

Another possibility of using the Federal taxing machinery for the support of State and local public services would be a so-called block grant. For example, Great Britain in 1958 combined the 12 major functional grants of the National Government to local authorities into 1 unconditional, purely fiscal grant. This method makes centrally collected funds available to local governments but leaves the control over their activities in local hands.

Opposition to any type of tax credit, revenue sharing, or unconditional fiscal grant seems to relate to the fact that the funds would be channeled from the U.S. Treasury to the State treasuries, bypass the Federal and State departments of education; and thus leave policy decisions with the general State and local authorities.

Most of the grant-type bills before the 87th Congress propose that each State educational agency use its own judgment in drafting a plan on the division of funds as to purpose and among the several districts within a State, subject to the approval of the U.S. Commissioner of Education. Those bills would tremendously strengthen the position of State departments of education versus the general State and local authorities. It is significant that most of the bills while outlawing control of local schools by a Federal agency, impose very stringent controls, and in effect, mandates, upon State legislatures.

Proposals for Federal school aid have often become enmeshed in a debate of whether they will or will not lead to Federal control. I tend to agree with Max Lerner who in a significant article in the Journal of the National Education Association (October 1958) stated:

"The choice before us is not a choice between the control of education by local officials and by National Government officials; that is not the choice, and don't let anyone tell us it is. The choice is between control by people who have not given their lives to education and control by people who have given their lives to it."

The significant effect of the grant-in-aid type bills probably would be a shift in control from general State and local authorities, that is from State legislatures, parents and communities, in other words from lay persons, to the nationally organized educational administrators at Federal, State, and local levels. Such a shift is held desirable, necessary, or inevitable by many. The school administrators' journal, *Overview*, editorialized in November 1960: "The United States is inexorably moving toward a national system of education \* \* \* the long-held views that education is largely a personal concern and that educational policy should be made by local units of government will have to go \* \* \* the national welfare demands a national system of education." Dozens of similar statements from leading educational administrators and professors of education could be cited.

On the other hand, many persons hold that "Just as war is too important to be left to the generals, education is too important to be left to the educators."

The fact is that most, though not all, of the school administrators who have appeared before congressional committees to testify on Federal aid proposals have spoken in favor of grant programs controlled by State departments of education. When the Governors of the States were polled by the House Committee on Education and Labor in 1959, they spoke overwhelmingly in opposition to Federal aid. None of the tens of thousands of State and local boards of education has appeared to testify on behalf of Federal school aid for at least the past 5 years, but some have testified against it. The National School Boards Association has refused to endorse or support Federal aid.

#### *In summary*

Federal funds could be provided for local schools by several methods which would not result in a change in educational control. The adoption of grant-type school-aid programs however would significantly alter the power structure and policy directions in the American public schools.

The most frequently cited purpose of Federal aid to schools is a substantial increase in funds which is held necessary, first because of rising enrollments and, second, because of existing shortages of classrooms and teachers. It appears therefore appropriate to review the prospects of enrollment and classroom and teacher supply.

### 3. THE ENROLLMENT OUTLOOK

The decade of the 1950's saw the most spectacular expansion of the school-age population. The number of young people between 5 and 17 years of age jumped by 46 percent. As of now the "tidal wave" has all but passed. Between 1960 and 1970 the school-age population will grow only 20 percent. The annual increase in the past 5 years averaged 1.5 million. Between 1965 and 1970 it will average only 644,000 a year.

Enrollment in the public schools grew 1.2 million annually in the past 5 years; in the second half of the 1960's it will increase less than 600,000 a year. It is not that the entering classes will be smaller but the difference between the entering and the leaving classes will decline sharply as the war and postwar babies start to graduate.

Actually, public schools never faced nor managed as difficult a situation as did the private schools. While public enrollment grew 42 percent over the past 20 years, private enrollment jumped a dramatic 147 percent. We may speculate about the cause of this extraordinary shift from public to private schools which occurred in spite of the fact that class sizes are much larger and overcrowding far worse in most private schools. Be that as it may, the population projections of the Bureau of the Census prove beyond doubt that the worst of the big enrollment expansion in the public schools is almost over. Growth will continue on a more moderate scale.

### 4. THE CLASSROOM SHORTAGE

The Office of Education reported a classroom shortage as of the fall of 1960 of 142,100 classrooms. The report—as its predecessor a year earlier—was sharply criticized by examiners of the Bureau of the Budget, held up for some time, but finally released by the former Secretary of Health, Education, and Welfare on his last day in office, January 19, 1961. It can be better evaluated in a historical perspective.



Congress, in 1950, ordered a national school facilities survey. It was undertaken at a cost of more than \$5 million and reported a shortage of 312,000 classrooms. Then, in the fall of 1954 the U.S. Commissioner of Education testified that the shortage had grown to 370,000 and other responsible officials predicted that it would, within 3 years, rise to 600,000.

When the White House Conference on Education soon after polled the States, it arrived at a shortage of 198,625. Finding itself under a barrage of criticism, the Office of Education revised its estimates, and its annual canvass of classroom shortages started coming down until it hit a low of 132,400 in the fall of 1959. A year later it reported a shortage of 142,100 classrooms. This was 230,000 less than had been reported 6 years earlier, and 360,000 fewer than had been predicted.

But the new figure does not seem to be any more reliable than the earlier ones. Statistics for the years 1956 and 1960 taken from the reports of the Office of Education, were inserted in the Congressional Record of January 31, 1961, and show this 4-year comparison: enrollment had grown 4.8 million children who required the addition of 171,000 classrooms. The number of classrooms in use—after deducting those which had been abandoned—has increased by 252,000 which left 81,000 classrooms for the reduction of shortages which existed in the fall of 1956. But the shortage reported by the Office of Education had been reduced by only 17,000. This means—and a detailed analysis confirms it—that several States had meanwhile “upped” their shortages by 64,000 classrooms by either raising their standards or “reevaluating” their needs. Actually, in those 4 years enrollment had increased 15 percent, the number of classrooms in use 23 percent, and the number of pupils per classroom had declined from 29 to 27.1.

These figures may appear dry but they are significant. They prove that the various shortage reports are not at all internally consistent nor using standards which would permit valid comparisons from year to year and add up to a meaningful national total. They largely express the opinion of hundreds of individuals all over the country, which fluctuate from year to year, from State to State, from school district to school district.

With several “reevaluations” taking place each year in a number of States, the reported shortages could go up at a very rapid rate or continue to run erratically, as they have for the past decade. The Budget Bureau examiners commented correctly that these are not reports upon which valid conclusions in regard to national policies could be formed. The race between shortage reports and construction is like greyhounds chasing a mechanical hare. The hare always wins.

The incontestable fact is that over the past decade more than 600,000 classrooms were completed while the increased attendance required the addition of only 400,000. This means that over 200,000 new classrooms were made available to replace old ones and to reduce class sizes. That it was possible to accomplish this in the decade of the most rapid enrollment growth demonstrates, more dramatically than words could, the faith of the American people in education. This record is the result of thousands of communities voting bond issues and higher taxes year after year. It may be well to note that the new public schools, built in the postwar period, now house close to 20 million American children—compared with schools for 9 million children which—according to their own claims—the Russians built in the same span of time.

The statistics of the Office of Education about “children in excess of normal enrollment” are even less reliable than classroom reports, as a comparative analysis proves and as the Budget Bureau examiners found on a field inspection trip to nine States in 1960.

But to judge the outlook in the classroom situation we do not need to spend more time with these statistics—although the more closely they are analysed, the more misleading they turn out to be.

In his education message on February 20, 1961, President Kennedy said: “In order to meet current needs and accommodate increasing enrollments, if every child is to have the opportunity of a full day education in an adequate classroom, a total of 600,000 classrooms must be constructed during the next 10 years.”

The figure of 600,000 over the next 10 years—an average of 60,000 a year—is based on estimates which the Office of Education prepared during 1960, and which accept all shortage claims at face value, regardless of their validity. I may mention that this is exactly the figure at which I arrived in a study of “School Needs in the Decade Ahead,” published in 1958 (pp. 203–204).

Now 60,000 classrooms a year may appear to be a big order until it is recalled that States and communities have been building 70,000 classrooms each year for the past 5 years. This means that the volume of school construction can materially decline during the 1960's and still produce all the classrooms the public schools reasonably require. The reason for this reduced need is apparent from the earlier cited enrollment projections: While in recent years 40,000 classrooms a year were needed just to house the additional enrollment, we shall need only 20,000 classrooms a year for that purpose when enrollment increases drop to half their present size in the later 1960's.

There were complaints last year from the then Secretary of Health, Education, and Welfare and others that school construction was declining and that action was urgently called for to meet this emergency. We know now, from more recent reports of the Department of Health, Education, and Welfare, that school construction did not decline at all. We know also that in the school year 1959-60 the public schools had 360,000 fewer pupils but 7,000 more classrooms and 10,000 more teachers than Congress and the public were told early in 1960. The figures were quietly adjusted after the 86th Congress had adjourned.

At the present time there is no indication of a proximate decline in school building activity; quite the contrary. The Investment Bankers Association of America just reported that the amount of school bonds approved at elections and the approval percentage reached new record highs of \$1.8 billion and 81 percent respectively in 1960. January 1961 again established a new record.

Because of the considerable interval between bond approval and completion of work, a high volume of school construction appears to be assured for some time to come. The Department of Commerce estimated that public educational construction would increase 8 percent in 1961 over 1960.

The so-called taxpayers' revolt belongs in the realm of fiction, as does the exhausted fiscal capacity of thousands of communities needing classrooms. The Department of HEW conducted a telegraphic survey among chief State school officers slightly over a year ago and found that only 237 school districts were reported as having exhausted their legal capacity, needing classrooms, and having no access to funds. No attempt was made to verify the reports from the 237 districts, most of which were small. But even at that, the survey does not suggest a critical situation among the country's 40,000 school districts.

#### *In summary*

The school building situation has shown a tremendous improvement in the past decade and is continuing to improve. States and communities are building classrooms at a more rapid rate than they will need to maintain through the 1960's. Some communities, to be sure, are lagging, particularly those which have for some years been waiting for the Federal Government to do the job for them. Whether that situation would be improved by the enactment of a program at this time remains to be seen.

#### 5. THE TEACHER SHORTAGE

There have been complaints for many years that our educational institutions are suffering from a severe shortage of instructional personnel which is growing worse as enrollments soar. The U.S. Office of Education placed the teacher shortage in the public schools at 72,000 in 1953 and gradually raised its estimate until it hit 195,000 in the fall of 1959. That report however was so severely criticized that the Office omitted a reference to the teacher shortage in its regular report in the autumn of 1960.

On the whole, the available statistics seem to indicate that education has made great strides in meeting its manpower needs. Over the past 30 years the number of employees in all public education (lower and higher) increased 140 percent, employment in private industries 45 percent. Simultaneously enrollment in public education rose at the same rate as the population of the United States as a whole: 45 percent.



TABLE 52.—*Employment in public education and in private industries, 1929 and 1959*

	1929	1959	Increase in percent
Employment in public education.....	1,120,000	2,684,000	+140
Employment in private industries.....	34,088,000	49,374,000	+45

Source: U.S. Department of Commerce, National Income, 1954 edition; Survey of Current Business, July 1960.

The public schools have managed to increase their teaching staff proportionately faster than enrollment, and the number of pupils per teacher has consistently been reduced:

TABLE 53.—*Enrollment and teachers in the public schools, 1900 and 1961*

School year	Enrollment	Instructional staff	Number of pupils per teacher
1899-1900.....	15,503,000	<sup>1</sup> 436,000	35.6
1929-30.....	25,678,000	880,000	29.2
1960-61.....	37,244,284	1,526,079	24.4
Increase or decrease, 1900-1961.....	<sup>2</sup> +140	<sup>2</sup> +250	-11.2

<sup>1</sup> Adjusted for 13,000 administrators in 1900.  
<sup>2</sup> Percent increase.  
Source: 1900 and 1930: U.S. Office of Education, Statistical Summary of Education, 1955-56; National Education Association, Estimates of Schools Statistics, 1960-61.

The foregoing table shows that since 1900 the number of pupils in the public schools increased 140 percent, the number of teachers 250 percent, and the number of pupils per teacher was reduced by 11.2.  
Taking only the past 7 years, when according to the Office of Education the teacher shortage climbed sharply, the picture appears as follows:

TABLE 54.—*Enrollment and teachers in the public schools, 1953-54 and 1960-61*

	School year 1953-54	School year 1960-61	Increase or decrease
Instructional staff.....	1,098,320	1,526,079	<sup>1</sup> +39
Less: teachers without full certificates.....	78,850	93,917	<sup>1</sup> +19
Teachers with full certificates.....	1,019,450	1,432,162	<sup>1</sup> +40
Pupil enrollment.....	28,916,703	37,244,284	<sup>1</sup> +29
Number of pupils per certificated teacher.....	28.4	26.0	-2.4

<sup>1</sup> Percent increase.  
Source: National Education Association, Estimates of School Statistics, 1960-61.

The table shows that in the past 7 years the number of pupils increased 29 percent, the number of certified teachers 40 percent and the number of pupils per certificated teacher dropped by 2.4.  
The claimed increase in the teacher shortage was arrived at largely by aiming for a more rapid cut in class size and by omitting from the calculations about half the teacher supply, that is those who return to the schools after taking other jobs, raising a family, or engaging in additional study.  
What the pupil-teacher ratio should be is a matter of opinion. Numerous research studies have been unable to show that children learn more in small classes than in large, and in fact, the results seemed to point in the opposite direction. However, the schools have been successful in cutting class sizes and will undoubtedly continue to do so.

The outlook for teacher supply is highly favorable. The percentage of college students who prepare for a teacher's certificate rose from 21 percent in 1948 to 31 percent in 1955 and has since been stable at that level. The number of bachelors' and first professional college degrees is projected to rise sharply during the 1960's:

TABLE 55

Number of earned college degrees:	
1958-59-----	387,000
1968-69-----	703,000
Percent increase-----	82

Source: U.S. Office of Education, "Projection of Earned Degrees to 1969-70."

If the percentage of college students seeking a teaching career remains stable over the next decade, the number of newly graduated teachers will almost double. But enrollment increase will be far less as I pointed out earlier: the school-age group (5-17) which increased 46 percent between 1950 and 1960 is projected to grow only 20 percent between 1960 and 1970.

The U.S. Office of Education presented the following picture in a recent report "Staffing and Constructing Public Elementary and Secondary Schools, 1959-69." The enrollment increase in the public schools averaged 1,207,000 annually between 1955 and 1961: it will average only 589,000 between 1965 and 1969. The required annual increase in instructional staff in the public schools which averaged 60,000 in the past 5 years will average only 25,000 between 1965 and 1969.

But the output of college graduates will jump from an annual average of 336,000 in the past 5 years to an average of 594,000 between 1965 and 1969.

With the demand due to shrink and the supply rising it is likely that the colleges would be training more teachers than could land jobs if the present percentage of college students seeking a teaching career were maintained.

The NEA "Teacher Supply and Demand Report for 1956" predicted an end to the teacher shortage by the early 1960's, and this status has just about been reached. Within a few years the problem is likely to be to find jobs for all teacher graduates.

It is widely believed that teachers as a group are underpaid and that their salaries should be substantially raised. The Department of Health, Education, and Welfare, in its above-cited report, suggested an increase of 50 percent in teachers' salaries between 1959 and 1964. In the past (that is since 1900) teachers' salaries have, on the average, risen 26 percent in dollars of constant value every decade. Over the past 30 years (1929 to 1959) teachers' salaries improved 106 percent, the earnings of all wage and salary workers 91 percent, and earnings of the civilian employees of the Federal Government 73 percent. This raises the question of whether teachers would be better off if their wages were tied to the Federal payroll.

TABLE 56.—*Earnings of teachers and other groups, 1929 and 1959*

	Teachers	All persons working for wages or salaries	Civilian em- ployees of the Federal Government
1929 (actual dollars)-----	\$1,400	\$1,405	\$1,933
1929 (in 1959 dollars)-----	\$2,380	\$2,389	\$3,286
1959-----	\$5,013	\$4,553	\$5,682
Increase in percent (constant dollars)-----	106	91	73

Source: National Education Association, Economic Status of Teachers in 1959-60, Survey of Current Business, July 1960.

A 1958 survey demonstrated that men teachers earn less than men engineers, lawyers, judges, physicians, surgeons, dentists, architects, etc. The same survey and other studies have shown that women teachers average higher earnings than other women college graduates or professional workers. The problem thus seems to be how to attract more of the able men students into teaching. While the percentage of men among the public school teachers has been rising it appears that male students with above average ability tend to seek careers in other professions or private industry. It has been suggested that this could be remedied by paying teachers by individual merit and performance because it is unlikely that boards of education would be willing to pay all teachers

as much as good teachers are worth. But there have also been strenuous objections to such proposals which, it is charged, would ruin the morale of the teaching force.

*In summary*

The public schools have been able to increase their teaching staff proportionately faster than the rise in enrollment, and the number of pupils per teacher was gradually reduced from 35.6 in 1900 to 24.4 in 1961. Meanwhile the educational requirements for teachers were sharply raised and their professional preparation lengthened. Few teachers are hired nowadays who do not, at least, have a college degree, except in the very few States in which a fractionalized school organization survives. The level of teacher compensation has apparently been sufficient to attract a growing number of qualified applicants.

Current projections indicate that annual school enrollment increases will shrink to half their present size in the 1960's, while the output of new teachers may rise 82 percent or more. Thus the outlook is for an adequate supply of teachers.

6. RECORD AND PROSPECTS OF SCHOOL FINANCE

It has repeatedly been charged that the funds allocated to the schools are woefully inadequate, that too small a share of the Nation's income is allocated to education, and that personal consumption and private industry have forged ahead while the schools were left behind to subsist on a starvation diet.

The following table shows the record of educational finances since 1940:

TABLE 57.—*Educational expenditures and enrollment, 1940-61 (includes public and nonpublic schools at all levels—elementary, secondary, and higher)*

School year	Expenditures	Enrollment (students)
1939-40 .....	\$3,199,593,000	29,751,203
1949-50 .....	\$8,795,635,000	31,319,271
1960-61 .....	\$26,000,000,000	48,650,000
Percent increase 1940-61 .....	713	64

Source: 1940 and 1950: U.S. Office of Education, Statistical Summary of Education, 1955-56; 1960: Expenditures, estimate in the President's education message, Feb. 20, 1961; enrollment: release of the U.S. Office of Education, Aug. 14, 1960.

The table above shows that since 1940 enrollment in educational institutions increased 64 percent, expenditures 713 percent. When allowance is made for the loss of half the dollar's value, the rise in expenditures was 306 percent compared with an enrollment expansion of only 64 percent.

If educational outlays are related to the Nation's resources we find that the share of the national income devoted to education has quadrupled since 1890; it increased 50 percent between 1950 and 1961:

TABLE 58.—*Expenditures for education as a percentage of national income, 1890 to 1961 (all levels of education, public and private)*

Percent		Percent	
1890 .....	1.4	1950 .....	4.0
1913 .....	2.2	1958 .....	5.4
1930 .....	3.7	1961 .....	6.1

Source: 1890 and 1913: Roger A. Freeman, "School Needs in the Decade Ahead," Washington, 1958, p. 5; 1930 to 1958: U.S. Office of Education, "Progress of Public Education in the U.S.A., 1959-60;" 1961: Estimate, based on statement in the President's message, Feb. 20, 1961.

This record certainly bears out what I wrote in my book, "School Needs in the Decade Ahead," the Institute for Social Science Research, Washington, 1958, p. XXI:

"The American people have loyally and faithfully supported their schools. The record of steeply increasing school revenues is nothing short of spectacular and makes no persuasive case for holding insufficient funds responsible for shortcomings in the product of our public school system."

Comparisons with other countries are, at best, approximations. UNESCO statistics indicate that almost all other countries allocate a smaller percentage of their national income to education. The Soviet budget for 1960 allowed 102 billion (old) rubles for "education and culture," which includes besides educational institutions, radio, TV, museums, theaters, etc. This is the equivalent of about \$10 billion. The Russian GNP has been estimated at 40 percent of our GNP. From this it appears that the Soviets do not allocate a larger percentage of GNP to education than the United States.

When we compare the public schools with other sectors of the economy we find the following increases between 1929 and 1960 (school years 1929-30 and 1960-61) (all figures in actual dollars) :

	Percent
Public school expenditures.....	611
Personal consumption.....	315
Corporate profits.....	177

Over the same period public school enrollment expanded at a slightly lower rate than the total population of the United States (45 percent for the schools against 48 percent for the U.S. population).

There is no objective measure on how much should be spent on education or of what constitutes adequate school support. Undoubtedly aspirations and demands will always be ahead of realization, they will always aim for "more," no matter at what level.

#### *In summary*

The meaning of the past record for the future outlook is this: Over the past 10 years enrollment in the public schools expanded 43 percent which is slightly faster than the simultaneous growth in GNP of 38 percent (constant dollars). In the next 10 years school enrollment is projected to expand only 20 percent, while the national product is expected to grow at least at the same rate as in the past decade, and, hopefully, faster.

In the past 10 years, under a system of State and local support, school revenues increased 152 percent in current dollars, or 98 percent in constant dollars. Why should States and communities not be able to raise their school funds sufficiently in the coming decade when enrollment will grow only 20 percent?

### 7. SOURCES OF SCHOOL REVENUE

The real question is not whether it is possible to raise adequate support for the schools but how. This question was explored by the Committee on the Financing of Public Education of the National Tax Association to which I referred earlier in my testimony. The rest of this section (Sources of School Revenue) consists entirely of quotations from the report of the mentioned committee.

#### "CHAPTER III. SOURCES OF SCHOOL SUPPORT BY LEVEL OF GOVERNMENT

"Until about a generation ago the support of the public schools was largely a local affair. More than four-fifths of all school funds was raised by school districts and other local units of government, and State aid was of substantial size in only few States outside the solid South. During the depression, war, and immediate postwar years, State school contributions climbed steeply and the percentage of school income provided by State governments jumped from less than 18 percent prior to 1930 to about 40 percent in 1948. Since 1948 the State share has remained stable at 40 percent of school revenue.

"TABLE 59.—*School revenues and State support in selected years, 1890 to 1960*

School year ending in—	School revenues millions	Percentage from State aid
1890.....	\$143	18.4
1900.....	220	17.2
1930.....	2,089	16.9
1948.....	4,312	38.9
1960.....	13,472	40.1

"Source: U.S. Office of Education, 'Statistics of State School Systems, 1955-56,' 1959; NEA, 'Estimates of School Statistics, 1959-60.'

“The National Education Association estimated the sources of school revenues in 1959–60 as follows :

TABLE 60

	Millions	Percent
Federal Government.....	\$482	3.6
State governments.....	5,396	40.1
Local governments.....	7,594	56.3
All revenues.....	13,472	100.0

“The historical record shows that the relative shares of State and local governments in the public school support maintained a remarkable stability between 1890 and 1930 and between 1948 and 1960; the State share increased only during the turbulent years from 1930 to 1948. In absolute amounts, of course, both State and local funds rose sharply. During the 1950’s, aggregate State and local school support increased an average of \$800 million each year.

“The question of Federal support of education can obviously not be considered merely in the context of the schools but only against the background of Federal-State fiscal relations and the general tax structure. An adequate discussion of these problems would far exceed the scope of this report. But some of the significant facts need to be cited.

“It is well known that the number of Federal grant-in-aid programs to the States for various purposes has sharply expanded in the past quarter century. The aggregate amount tripled in the 1930’s, tripled again in the 1940’s, and tripled a third time in the 1950’s:

“TABLE 61.—Federal grants-in-aid to State and local governments, in selected years, 1922–60

Fiscal year	Amount in millions
1922.....	\$118
1932.....	232
1940.....	864
1950.....	2,371
1960.....	7,435

“Source: 1922 to 1950: U.S. Bureau of the Census, Historical Summary of Governmental Finances, 1959; 1960: Congressional Record, Feb. 17, 1960, p. 2582.

“It is apparent that a continuation of the historic growth rate of Federal grants, through the expansion of existing programs and the adoption of large new ones, would within another decade or two make State and local governments largely dependent upon Federal support. Resistance to expansion of the Federal role has been particularly noticeable in education because of a widespread belief—which is vigorously denied by other groups—that Federal aid would lead to Federal control.

“The advocates of increased Federal aid point out that State and local revenues rise more slowly than Federal tax receipts, that the Federal Government has increased its share of all taxes from about one-third to two-thirds and that this latter fact imposes an obligation upon the U.S. Treasury to accept increased responsibilities for public services.

“Between 1902 and 1959 Federal revenues multiplied 132 times, State-local revenues only 46 times. However, the sharp Federal expansion took place only during the short periods of war. For example, between 1940 and 1944 Federal revenues grew 634 percent, State-local revenues only 24 percent; between 1950 and 1952 Federal revenues increased 65 percent, State-local revenues 23 percent. During the intervening peace periods, however, State-local revenues consistently expanded faster than Federal revenues or national income.

**"TABLE 62.—Rate of increase in Federal and State-local revenues in peacetime periods, 1902-59**

[Percent]

Fiscal periods	Federal revenues	State-local revenues from own sources	National income
1902-13.....	+47	+94	+80
1922-40.....	+64	+113	+24
1944-50.....	-15	+73	+30
1952-59.....	+20	+67	+34
(1944-59.....)	+68	+256	+118)

"Source: U.S. Bureau of the Census, Historical Summary of Governmental Finances, 1959; U.S. Bureau of the Census, Governmental Finances in 1959, 1960.

"The expansion of State-local revenues by 256 percent since the end of World War II is particularly significant. Federal revenues, in contrast grew more slowly than national income. The Federal share of all public revenues gradually shrank from 79 percent in 1944 to 64 percent in 1959. Some observers favor a continuation of this trend. Others would rather have the Federal Government assume an increase share of the aggregate fiscal responsibility in the United States. If the postwar trend were reversed, the Federal share of public revenues might again rise to 75 percent or 80 percent.

"Lack of adequate State-local fiscal capacity probably is the most frequently cited argument in favor of increased Federal aid to the schools and for other purposes. But the spectacular growth of State-local tax revenues in the postwar period—which greatly exceeded the expectations and projections of most fiscal economists—seems to suggest that State-local resources are more expandable than has widely been assumed. Resistance to tax increases (and pressure for tax cuts) appears to have been far less effective at the State-local than at the Federal level. Much of the State-local resistance is undoubtedly related to the heavy burden of Federal taxes which was imposed during the war, and has since been only slightly alleviated. This condition would be aggravated if reliance for additional tax funds were shifted from State-local governments to the U.S. Treasury.

"Virtually all material resources within the United States are subject to the taxing powers of the States. There are no Federal constitutional or statutory restrictions which significantly hamstringing the taxing capacity of State-local governments. Tax limitations in State constitutions were placed there by the people of the respective States and can be altered and removed by the same process by which they were originally inserted.

"It has frequently been stated that interstate competition prevents States from raising their taxes. The fact that pressure for expansion of public services and the need to revise taxes is strong in all States and the steep rise in State-local revenues during the postwar period (to a considerable extent due to sharp and repeated tax boosts) would seem to contradict this argument. Whether high State-local taxes have deterred industrial growth in any State is doubtful. James W. Martin and William G. Herzel surveyed some of the more important studies of the impact of State and local taxes upon industrial location and concluded that differentials among the States do not exert a primary influence upon industrial development.<sup>1</sup> Several other reports have confirmed these findings.

"Some observers point at the difficulty which even some of the wealthier States have experienced in recent years in trying to raise taxes to meet larger appropriations ("the States are at the end of their financial ropes"). Others suggest that these difficulties are of a purely political nature, that they are caused by a desire to gain popularity by more generous spending of public funds combined with a reluctance to accept the political responsibility for higher taxes.

"They emphasize that Federal revenues fell short of outgo in 24 years out of the past 30, and that even during the prosperous 1950's, 7 Federal budgets out of 10 were in the red, with an aggregate deficit of \$32 billion.

<sup>1</sup> James W. Martin and William G. Herzel, "The Influence of Taxation Upon Industrial Development," State Government, July 1957.

"It is sometimes pointed out that the wealthier States may possibly have the economic resources to meet their public service needs but that some of the low-income States would have to impose prohibitive rates if they were to levy taxes to produce comparable amounts (e.g., on a per capita basis). A good case has been made that the poorer States need some financial assistance so as to be able to provide essential public services without an excessive tax effort.

"Opponents of this approach cite these facts: The range in per capita income among the States shrank within the past 30 years from 1:4.3 to 1:2.5; the remaining difference is more effectively narrowed by the operation of the progressive Federal tax system than by grants-in-aid; most of the increase in children has taken place (and, by all indications, will continue to occur) in the wealthier States and the range in personal income per child declined from 1:6.4 to 1:3.1; simultaneously the range in teachers' salaries among the States narrowed from 1:4 to 1:1.9. They suggest that the educational dollar buys more in the low-income States, that school construction costs are much lower there and that in relation to the prevailing family income level teachers are better off in the low-income States.

"Experience has shown that neither Congress nor State legislatures will consider a program that would allocate funds only to low-income jurisdictions. A proposal is unlikely to receive a sufficient number of favorable votes unless it distributes the funds to all areas, rich as well as poor.

\* \* \* \* \*

#### "CHAPTER IV. SOURCES OF SCHOOL SUPPORT BY TYPES OF TAXES.

"The property tax has historically been the mainstay of public school finance. Its role declined somewhat during the great depression and World War II but it still supplies over half the school income, and, to all appearances, will long remain a major source of school support.

"School administrators and allied groups deplore the schools' traditional dependence upon the property tax which they hold responsible for their chronic inability to obtain the amount of revenues they deem necessary. They have long asked that a greater share of the school support be shifted to income or sales taxes, collected by National and State governments.

"With some exceptions in New York and Pennsylvania, almost all of the locally raised school funds now come from property taxes, State and Federal aid from income, sales, and excise taxes. School revenue sources in 1958 (most recent year available) may be estimated as follows:

"TABLE 63.—*Sources of public school revenue in 1958*

	Billion	Percent
State and local:		
Property taxes.....	\$6.7	56
Sales and excise taxes.....	3.0	25
Income taxes.....	1.0	8
Other sources.....	.7	6
Federal.....	.5	4
All revenues.....	11.9	100

"Source: Estimated from several earlier-cited publications of the Bureau of the Census and the Office of Education.

"In 1960 school revenues totaled \$13.5 billion and probably were derived from the several types of taxes in about the same proportion as in 1958. By 1970 school funds may total \$24 billion (see ch. I). The question is, how much of the additional \$10.5 billion (between 1960 and 1970) can be obtained from property taxes, how much from income taxes, from sales taxes, and from other sources. This cannot be adequately considered merely in terms of school finance because other public functions will also raise substantial claims upon the same tax sources and will compete with the schools for larger shares. It is thus necessary to discuss the tax sources within the framework of the country's total fiscal picture.

"Over the past 9 years—1950 to 1959<sup>1</sup>—governmental expenditures in the

<sup>1</sup> Financial statistics for 1960 are not yet available.



United States (National, State, local) rose from \$70 to \$146 billion. Governmental revenues<sup>2</sup> meanwhile climbed from 29 percent of the national income to 35 percent. The steady expansion of governmental activities and finances will undoubtedly continue through the 1960's although possibly not at as rapid a rate.<sup>3</sup> The Rockefeller Brothers Fund panel projected a rise in governmental expenditures from 1957 to 1967 of between 50 percent and 80 percent.<sup>4</sup> Other authors have made similar estimates. A decennial increase of \$70 to \$100 billion is well within the realm of possibility; such a rise would be steeper than either the prospective growth of national income or the normal increase in tax collections. It would probably require higher taxes of some kind. Most of the additional funds for nonschool purposes, largely at State and Federal levels, will most certainly come from sales and income taxes. If school support also is to be moved in that direction, pressure upon these taxes will become very heavy.

"The past 20 to 30 years have seen a radical shift of emphasis in the American tax structure from property to income taxes. Since 1940 income taxes have multiplied 23 times, property taxes less than 4 times.

"TABLE 64.—*Tax collections in the United States, 1927, 1932, 1940, 1959*

[In billions]

	1927	1932	1940	1959
Income taxes .....	\$2.3	\$1.2	\$2.5	\$57.0
Sales and excise taxes.....	1.6	1.5	4.1	21.8
Property taxes.....	4.7	4.5	4.1	15.0
Other taxes.....	.0	.8	1.7	5.8
Total.....	9.5	8.0	12.7	99.6

"Source: U.S. Bureau of the Census, *Historical Summary of Governmental Finances, 1959*, U.S. Bureau of the Census, *Governmental Finances in 1959, 1960*.

"Does this suggest a long-range trend from property to income taxation which can be expected to continue? Some authors so hold. They call the property tax laggard and inflexible and assert that in contrast to income and sales taxes, it does not expand with the economy.

"A closer analysis of the historical record reveals that the property tax grows rapidly during periods of peace and prosperity but stagnates in wars and depressions. Property tax collections climbed proportionately faster than the national income, and at approximately the same rate as other taxes, during the first three decades of the 20th century. They barely changed between 1930 and 1944. In the post-World War II period they more than tripled while the other taxes less than doubled (see table XIII).

"Income taxes played a minor role for the most of the first 30 years after they were first levied (1911 to 1940), and showed rapid growth only during shooting wars: They multiplied 11 times between 1917 and 1920 and 16 times between 1940 and 1944.<sup>5</sup> Between 1920 and 1940 their yield was almost cut in half although national income was of about the same magnitude in both years. In the post-World War II years they grew more slowly than other types of taxes or national income. They accounted for 72 percent of all tax collections in the United States in 1944; by 1959 their share had shrunk to 57 percent. It is anybody's guess whether this trend will continue or be reversed.

<sup>2</sup> Governmental revenues, as defined by the Bureau of the Census, include: taxes, charges, insurance trust revenue (employment taxes, etc.), income from governmental enterprises, etc.

<sup>3</sup> However, some observers believe that the rate of governmental growth ought to be stepped up.

<sup>4</sup> 'The Challenge to America: Its Economic and Social Aspects,' Rockefeller Brothers Fund, Special Studies Project Report IV, Doubleday, New York, 1958, p. 68.

<sup>5</sup> This includes Federal individual and corporate income taxes.

“TABLE 65.—Increase in tax collections (National, State, local), 1944–59

Fiscal years	1944	1959	Percent increase
	<i>Billions</i>	<i>Billions</i>	
Income taxes.....	\$35.2	\$57.0	62
All other taxes.....	13.9	42.6	206
Sales taxes.....	7.0	21.8	210
Property taxes.....	4.6	15.0	225
All nonproperty taxes.....	44.5	84.6	90
National income.....	176.3	383.7	118

“Source: Same as table XII.

“Income tax rates were raised to such exorbitant levels during wars that subsequently they had to be somewhat reduced, which, of course, cut into collections. But their yield is still so large—\$57 billion in 1959 with 95 percent going to the Federal Government—that school and other interest groups understandably would like to have some of the proceeds channeled their way. It is sometimes overlooked that income taxes were raised to their high level for war purposes and that they still serve wholly or largely national defense. Federal income tax receipts in recent years just about equaled expenditures for war-connected purposes (national defense, international finance, veterans services and benefits, interest on the national debt). This strong interrelationship between Federal income taxes and defense outlays may well continue for some time. It raises the question whether income tax proceeds of a significant size will be available to finance domestic public services.

“The spectacular growth of property tax collections in the post-World War II period ran counter to the predictions of most tax experts in the 1930’s and 1940’s. It was caused partly by inflation—which of course also affected income taxes—but largely by the creation of new values: the completion of \$400 billion (in 1959 dollars) worth of new private construction; the conversion of millions of acres of vacant land and farmland to industrial, commercial, and residential use; the completion of \$150 billion (in 1959 dollars) worth of public service facilities (highways, streets, schools, water, sewer, etc.) which lifted the value of abutting property, etc. Progress in assessment administration also helped. A decisive factor may well have been recognition by the voting public of growing local service needs which required higher taxes. The record proves that the property tax is capable of rapid expansion in times of economic growth. It is of course another question whether it is desirable to make greater demands on the property tax or whether income taxes or sales taxes should be called upon to provide the needed larger funds.

“Some authorities suggest that the income tax can and should be the main source of additional public revenues. They believe that broadening of the income tax base or higher rates could yield substantially enlarged funds. Others hold that income taxes are being used up to their load-bearing capacity and possibly beyond it, and that they need to be lightened as soon as possible. They point out that the governments of most other industrial nations obtain only a minor share of their revenues from income taxes and finance their requirements largely by consumption taxation. They suggest that sales taxation is much lower in the United States than in most other countries and that it could be expanded if governmental requirements increase faster than tax collections from economic growth.

“The issue of income versus sales taxation cannot be adequately discussed within the scope of this report. Yet, much of the question of Federal versus State support of education depends on it. Eighty percent of Federal tax revenues comes from income taxation, almost 60 percent of State tax revenues from consumption taxation.

“The proponents of additional income taxation point out that income taxes are geared to capacity to pay while sales taxes are regressive. The proponents of sales taxation counter that present-day income tax rates are excessively high and have overdone the principle of progression to the detriment of incentives and economic expansion; further, studies have generally found that the retail sales tax is moderately regressive if it includes food, and is substantially proportional through most of the range of personal income if food is exempted. The sales tax cannot be judged alone but as part of the American fiscal operations which are progressive because of the effect of Federal and State individual income and death taxes and the reallocation of public expenditures.

"Strong objections have been raised against further increases in the demand upon the property tax for school and other purposes. The property tax is said to be ill-suited to an industrial society in which taxable capacity is determined chiefly by income rather than the ownership of tangible property. Income, it is asserted, grows faster than property.

"These arguments had considerable validity prior to 1930 when the property tax accounted for about half of all tax collections in the United States. In 1959 property taxes equaled only 15 percent of all taxes, and 11 percent of all governmental revenues (including social security contributions, charges, etc.). It does hardly seem inappropriate to take property holdings into account to the extent of 15 percent or 11 percent of the total bill for public services. This can, at most, change the distribution of the aggregate tax load only minutely. It leaves ample space for a tax structure that is well balanced among the several types of taxes.

"National wealth has, during peacetime, quite consistently increased at about the same rate as national income. Only during wars, when the Nation's productive effort concentrated on defense rather than the creation of permanent assets did national wealth lag behind the growth of national income.

"The burden of property taxation has changed remarkably little during the 20th century. It stood at 4 percent of the national income in 1902 and also in 1959, and equalled about 0.8 percent to 0.9 percent of the national wealth in both years. Over the same span of years, the burden of all other taxes rose (largely through wartime increases) from 3.3 percent to 22.1 percent of the national income.

"Comparisons in time and space—with past trends and with other nations—cannot, of course, in themselves answer the question which type of taxation should be called upon to lift school revenues from \$13.5 to \$24 billion over the next 10 years. But they can supply the factual background and the perspective necessary in the formulation of sound tax policy.

#### *Summary*

"School tax sources have shown a remarkable stability in the post-World War II period, with slightly over one-half the revenue coming from property taxes, about one-fourth from consumption taxes and the remainder divided between income taxes and other sources. It is conceivable that this stability may continue for another decade.

"Property tax yields will improve as new values are created and schools receive an increasing share of the yield. State sales and excise tax rates for school purposes may keep rising. Some States will tighten their income taxes. Normal economic growth may be expected to boost school revenues, at present effective tax rates, from \$13.5 to between \$18 and \$20 billion by 1970. Thus between \$4 and \$6 billion may have to come from higher tax rates, unless other governmental expenditures can be proportionately cut and the savings applied to the schools.

"Under an assumption of continued stability in the relative distribution of school tax sources, the school revenue picture in 1970 may be as follows:

	<i>"Billion</i>
"Property taxes.....	\$12.7
Sales and excise taxes.....	7.0
Income taxes.....	3.1
Other sources.....	1.2
<b>Total.....</b>	<b>24.0</b>

"If however the share of the National Government is substantially increased, some of the load may be shifted from property to income taxes:

	<i>"Billion</i>
"Property taxes.....	\$10.8
Sales taxes.....	7.0
Income taxes.....	5.0
Other sources.....	1.2
<b>Total.....</b>	<b>24.0</b>

"NOTE.—All projections are in 1959-60 dollars.

"How the revenue from the several types of taxes may be increased will be discussed in the remaining chapters of this report.

## "CHAPTER V. LOCAL SCHOOL REVENUES

\* \* \* \* \*

"Long experience has shown that the property tax is the only local source of revenue which can consistently provide a major share of the school income. It has been severely criticized over the years as being too heavy and burdensome, but so have all other taxes, and probably for good reason. The real estate tax is eminently suited for small local jurisdictions because land and houses are visible and stay put. It is well adapted to school requirements—expanding in times of economic growth (see table XIII, ch. IV of this report) and stable in periods of stagnation or recession. The tax has some serious defects but balancing the good with the bad, there does not seem to be a satisfactory substitute for the local property tax.

\* \* \* \* \*

"The uneven distribution of taxable property—e.g., on a per-pupil basis has often been cited as a serious handicap to the use of the tax for school purposes. Discrepancies are very wide on a school district basis in many States as was pointed out in chapter II. Consolidation of small into larger districts or into county units would eliminate the wide variations and keep differences in taxable capacity to a range which can be satisfactorily equalized by a well-designed State-aid system.

"Constitutional or statutory rate limitations often keep schools and other local governments from levying the amount of property taxes they believe necessary. Many students of taxation and several commissions have suggested that these limits be raised or abolished. Some of the restrictions have been gradually eased but attempts to repeal them have seldom been successful. One potent argument against their elimination is that it would give several mutually independent local governments—county, city, school districts, other special districts—overlapping and unrestricted taxing power upon the same tax base, property. This is like letting several people independently draw upon the same checking account. It makes it difficult for the taxpayer to hold any particular official or office responsible for the size of his tax bill. If all local public services in a geographic area were integrated under one responsible body—as State and National Governments are—there would be no need for the several tax limitations. As long as local government remains fractionalized there is little likelihood that the several units will attain unrestricted taxing powers.

"The rate limits are not as rigid as they may appear. In most States the constituents of each jurisdiction can vote levies in excess of the specified limits. Thus, the real power over the size of public spending and taxing lies in the hands of the residents of the community who are the beneficiaries of the local public services. This seems an excellent way of enabling voters to have their wishes carried out. That officials sometimes dislike the extent of control which the voters exercise over their policies and actions through the power over the purse is not overly surprising. But the fact is that most budget proposals and special tax levies pass although those which do not pass tend to get greater publicity.

"Rate limits are usually applied to assessed values which in all but a handful of States are legally supposed to be set at full current value. But real estate was found in the 1957 Census of Governments to be assessed at a national average of 30.4 percent with States-wide averages ranging from 7.2 percent in South Carolina to 66.3 percent in Rhode Island. Valuation practices in regard to personal property vary even more widely. Thus the effective limitations on the size of the taxes which boards of education and other local units can levy is set not so much by constitutional or statutory limitations, as by the extra-legal action of the assessor of placing property on the rolls at a fraction of its value. It appears then that there is a local remedy against tax limitations which are too tight, without having to amend the State constitution or statutes: to move assessed values closer to current values.

"Most of what was said about tax limitations also applies to debt limitations. School debt limits have been raised in many States but there still are complaints that thousands of school districts have reached their bonding limits and are prevented from meeting their classroom needs. A survey by the U.S. Department of Health, Education, and Welfare in December 1959, however, revealed that only 237 school districts in 45 States (out of a national total of over 40,000 districts) reported that they had reached the limit of their legal

debt capacity, needed classrooms, and had no access to State aid to build them.

"Many school districts would find it easier to finance their requirements if tax and debt limits were generally raised or abolished. But some observers hold that an upward movement in the assessment level would offer a better solution to the problem.

"School debt, as well as State and local and private debt, has increased rapidly in the post-World War II period. But in relation to National income, or to State and local tax revenues, State and local debt is now lower than it was 20 to 30 years ago. Debt service requirements (principal and interest) now require a smaller percentage of State and local revenue (from their own sources) than they did three decades ago.

"One frequently heard complaint against the property tax is that it places an unduly heavy burden on property owners. This seems to overlook that everybody pays property taxes, directly or indirectly, whether homeowner or renter. Almost two-thirds of all American families now live in their own homes. They earn a higher than average income and account for at least 70 percent of all personal income in the country. They also pay about 70 percent of all taxes, whether on property, income, or sales. They cannot escape their share. The remaining third of families, the tenants, pay residential property taxes which are included in their rent.

"Detail analysis of data from the 1957 Census of Governments discloses this picture: About one-half of all real estate taxes rests on residential property with the remainder coming from business, farms, vacant lots, etc. Residential real estate taxes equaled \$5 billion in 1957, of which about \$3.3 billion came from owner-occupied homes. This does not seem an overly large item in a total tax bill (National-State-local) for that year of close to \$100 billion. The property tax suffers from the disadvantage of being conspicuous while most other taxes are withheld, paid in small amounts, or "invisible"; that is, paid in the form of higher prices.

"Homeowners offset a considerable share of their property taxes in the Federal income tax: they deduct property taxes and mortgage interest from the tax base and do not have to pay tax on the imputed income from their homes. Thus the net burden of the residential property tax is much smaller than the gross amount.

"The record of the property tax in the past 15 years suggests that the yield of the tax grows steeply in times of prosperity. The following factors may have a major bearing on the amounts of revenues which may be expected to be raised by property taxes in the 1960's:

"(1) Close to half a trillion dollars' worth of new private construction may be expected to be built during the 1960's and will presumably be placed on the tax rolls.

"(2) Land values will continue to rise as huge acreages are turned into new suburbs, industrial plants, etc., and roads and other public facilities are being built. This increase should offset much of the depreciation on the existing improvements.

"(3) Many existing property tax exemptions have little justification and may be whittled down. This is particularly true of most homestead, veterans, and industrial exemptions as well as of property owned by organizations whose claim to exemption rests on shaky grounds. Certain public property also could be subjected to taxation or to payments in lieu of taxes. On the other hand there are pressures at work to extend rather than reduce industrial exemptions..

"(4) Tax rate and debt limitations have shown a tendency to move up. This trend may well continue.

"(5) Attempts of States and communities to move assessed values closer to current market values have had sporadic success. The pressure for greater revenues and the need to equalize valuations may lend added impetus to this drive.

"(6) Administrative improvements in the assessment procedure and general reassessment programs will place much unlisted property on the rolls and raise the listing of badly undervalued property. Opposition is often based on the mistaken notion that the level of taxation should be controlled by the assessment process rather than by rates. A vigorous State-directed program of uniform reassessment (to be maintained thereafter) probably is the most urgently needed action in the property tax field.

"(7) Rising income levels may make it possible to move property tax levies up without increasing their net burden (effective tax rate).

"(8) Realistic expectations for the coming decade must temper the foregoing factors favorable to the growth of property taxation. Property presently is taxed heavily in some areas, lightly in others. Where property is heavily taxed, an effort will be made to continue the low level of property taxes. Constitutional exemptions and tax limits will be difficult to change, though statutory restrictions may be liberalized. Despite progress during the 1960's in the reform of property tax administration, 1970 will probably see too many reforms uncompleted. Owners of personal property will likely resist continually administrative improvement, while real estate owners will continually promote alternative taxes.

#### *"Summary*

"The property tax has long supplied almost all local school funds and is likely to continue to do so in the future. Local nonproperty taxes will at best make a minor direct contribution to the schools. The preservation of local school autonomy and of community control of school affairs requires that a substantial share of school income be raised locally with the consent of local voters. This probably can be done only if the property tax remains a major source of school income.

"The property tax is an expandable tax and can provide substantially increased school funds during the 1960's without an undue rise in the tax burden. Property tax collections may well rise from \$15 billion in 1959 to \$23-\$24 billion by 1970, with more than half the additional funds—about \$5 billion—going to the schools. If the States or the National Government increase their school contributions at a more rapid rate, then it is likely that local efforts will be less pronounced and that the productivity of the property tax will increase somewhat less.

#### *"CHAPTER VI. STATE SCHOOL AID*

\* \* \* \* \*

"A crucial question is how the States can raise the additional sums which school aid will require in the years ahead. State school appropriations have been increasing faster than the normal growth of State tax collections and the States have found it necessary to enact numerous tax boosts in rapid succession, particularly for school purposes. This trend will undoubtedly continue for at least the next 10 years, and probably longer. Higher taxes will be necessary if school costs continue to grow faster than the Nation's economy.

"Increased State aid will have to come either from individual and corporate income taxes or from sales and excise taxes. Which are more likely to be tapped?

"Thirty-one States levy an individual income tax, 36 a corporate tax; combined they account for 18 percent of all State tax revenues. Many States have lowered personal exemptions, raised rates, introduced withholding from wages and applied various other means of increasing the productivity of income taxes. It is, however, unlikely that State income tax rates will climb very high. No State has adopted an individual income tax since 1937 and only three States a corporation tax. It remains to be seen whether the rank of income tax States will widen in the next 10 years.

"The reason for the moderate use of income taxation by the States is patent: the Federal Government raised its income tax rates so high after 1940 that it virtually preempted the field. It now collects 95 percent of all income taxes in the country. States are reluctant to raise (combined) income tax rates higher. It has been proposed to grant Federal credits for State income taxes so as to encourage—or in effect force—their use by all States. The question may be raised why the Federal Government should force a tax upon States whose people do not want it. State income tax yields will undoubtedly continue to rise as the economy expands but it is doubtful whether very substantial amounts can be expected.

"The States are alone in the field of general sales and excise taxation except where they have granted local governments the power to enter it. In contrast to most foreign countries, the Federal Government does not levy consumption taxes save excises on liquor, tobacco, gasoline, and a few other products at the manufacturing or retailing level. The number of retail sales tax States grew from 24 to 35 in the post-World War II period and appears likely to expand further. The typical State sales tax rate has risen from 2 percent in 1950 to 3 percent in 1960, with 3 States presently levying 4 percent. The level



of consumption taxation in the United States is low by comparison with foreign nations and appears to be a natural field for expansion if and when the need arises. Signs point to the conclusion that State sales tax rates will continue to climb and that more States will adopt the tax.

"An additional 1 percent retail sales tax in all States may be estimated to yield in 1970 approximately \$2.2 billion if food is exempted and \$3.4 billion if food is taxed. This together with modest boosts in income taxes and the normal increase from tax collections would supply approximately the additional amount of State funds which the schools may require between 1960 and 1970. Some States, will not adopt a 1 percent sales tax increase but rather tighten their present tax provisions, reduce exemptions, include services in the retail sales tax, raise rates on excise taxes on alcohol, tobacco, and other goods, levy some type of gross receipts or value added tax, etc."

\* \* \* \* \*

This concludes the direct quotations from the Report of the Committee on the Financing of Public Education of the National Tax Association.

#### 8. THE ISSUE OF FEDERAL AID TO EDUCATION

The committee from whose report I just quoted extensively also presented a summary of arguments for and against Federal aid to education. A majority of the committee concluded in opposition, a minority in favor of Federal aid.

I would like to conclude my testimony by presenting to your committee my own reasons why I believe Federal grants-in-aid for school support to be undesirable. They are summarized in four points and taken from my book "Taxes for the Schools," pp. 387 to 397.

"A. THE MOST URGENT NEED IS NOT 'MORE MONEY FOR EDUCATION' BUT 'MORE EDUCATION FOR OUR MONEY' "

"Complaints have been raised with increasing frequency in recent years that deficiencies in our educational system stem not from inadequate financial support but from inefficient or wasteful use of the available resources. Some of the charges are: In no other field are expensive facilities and trained manpower utilized so inadequately and on a part-time basis. School buildings are in use barely 1,000 hours a year compared with 2,000 hours or more for other types of facilities or for schools in many other countries. Space allowances in many new school plants have approximately doubled over the past quarter century—from about 50 to 100 square feet per pupil—although there is no evidence that children learn more if they have twice as much space.

"Most people work 240 days a year, teachers only 180. The productivity in other types of activity has been climbing steadily and steeply, largely through technological advances. A doubling of industrial output per man hour over the past three decades permitted large increases in the workers' pay and purchasing power. But organized resistance to the use of manpower savings devices has brought about an opposite trend in education:<sup>100</sup> each teacher now instructs fewer pupils than she did 30 or 50 years ago. Whether the achievement level of the schools' graduates meanwhile has improved or deteriorated is controversial. By indiscriminately mixing in the same classroom children of widely diverse ability, aspiration, and level of skills, the teacher's task is being made difficult and the educational advance of all is retarded. Emphasis on fundamental skills and knowledge has declined while the number and variety of courses proliferated. The subject matter content of the curriculum has been watered down and the program stretched out which has added an unnecessary 2 years. As a consequence pupils in American public schools are reported to be 2 or more years behind their European counterparts in academic achievements. Wasteful organization keeps thousands of inefficient schools alive. Federal aid would relieve the pressure to correct such practices and, thus, help to perpetuate them.

"Most of these charges are vehemently denied by the spokesmen for the public school profession. They insist that the schools have never been better or

<sup>100</sup> Compare Roger A. Freeman, 'Do We Need More Dollars for Education or More Education for Our Dollars?' address before the Economic Club of Detroit, Congressional Record, Mar. 26, 1959, p. 4804, and 'Vital Speeches of the Day,' May 15, 1959. For further detail see 'School Needs in the Decade Ahead.'

<sup>100</sup> Compare Daniel Seligman, 'The Low Productivity of the "Education Industry,"' Fortune, October 1958.



more efficiently managed, that available manpower and facilities are not only fully utilized but being overworked, and that charges ('attacks') are being levied only by persons who dislike public schools and do not want them to be adequately supported.

**"B. FEDERAL AID MEANS FEDERAL CONTROL**

"That Federal funds will result in Federal control of the schools has been the most frequently used argument against Federal school aid since the 1870's. The proponents of Federal aid insist that funds can (and will) be granted to the States without undue controls. They have inserted in most of their legislative proposals clauses enjoining Federal administrative officials from exercising powers over local schools. They cite existing programs, such as grants to federally affected areas, as proof that control does not need to follow aid.

"But the chairman of the House Education and Labor Committee, Representative Graham Barden, declared:

"\* \* \* you will hear it said there has not been any Federal control or interference through Public Law 815, the Federal impacted area bill. I tell you there has been some of the most horrible illustrations of interference and wrongdoing under that bill that you can imagine, and I challenge anyone to deny that statement.'<sup>101</sup>

"He cited examples too lengthy to be quoted here and later presented his conclusion about the school construction aid bill then under consideration:

"'Again I say to you as in the beginning, I question seriously that the prime objective of this bill is to build school buildings. Could it be to centralize power over our school system here in Washington where it is easier to apply concentrated pressure?'<sup>102</sup>

"Mr. Barden's predecessor as chairman of the House Education and Labor Committee, the late Representative John Lesinski, Sr., stated:

"'It is impossible to draft a general Federal aid bill which will not contain a great deal of Federal control over local school systems. \* \* \* I am convinced, after the hard study we have put to the question, that no acceptable bill preventing Federal domination of local schools can be drawn. I reluctantly come to the conclusion, but I had to face the facts.'<sup>103</sup>

"Financial aid to the States could be provided without the possibility of Federal control through purely monetary, nonearmarked, and unconditional grants or tax sharing.<sup>104</sup> But the proponents of Federal school aid insist that the funds must not only be earmarked for the schools but also channeled through the U.S. Office of Education and the State departments of education so as to insure and enforce the supremacy of the established high command. They strenuously oppose proposals which would have the U.S. Treasury allocate to State treasuries a small percentage of certain Federal taxes even if it were earmarked for the schools.<sup>105</sup> Such a plan would provide federally collected funds for the States and eliminate the likelihood of a resulting control of education. But the fatal flaw in all such schemes is that the funds would bypass the Federal and State offices of education, and tend to strengthen the hand of the general State officials—Governors and legislators—rather than of the educational bureaucracy.

"When during the 1930's emergency programs channeled funds for school construction and other activities directly from the Federal dispensing agencies to local school systems, the NEA and AASA recognized the link between the source and control of funds, even in a 'brick-and-mortar' program. They declared in 1945:

"'Increasing federalization of education has also been brought about in recent years by groups anxious to secure public funds for various undertakings and purposes. Washington has furnished a setting favorable to the accomplishment of their ends. Through political maneuvering they have been able

<sup>101</sup> Congressional Record, July 23, 1957, p. 11299.

<sup>102</sup> Ibid., p. 11300.

<sup>103</sup> Congressional Record, May 8, 1957, p. A8479.

<sup>104</sup> Roger A. Freeman, 'Grants Without Strings,' National Civic Review, June 1959.

<sup>105</sup> See ch. VIII, p. 374.

"A proposal channeling Federal funds from the U.S. Treasury directly to State treasuries but allocated on a per pupil basis—has been advanced by Edgar Fuller of the Council of Chief State School Officers and was incorporated in H.R. 2365—86th Congress, by Representative Stewart L. Udall. It has drawn little support or attention.

to obtain Federal funds for undertakings and purposes which the States and localities have not been willing to finance.' <sup>106</sup>

"Numerous authorities in this field have expressed their conviction that control would inevitably have to accompany a grant-in-aid program. We want to cite only three. First, John J. Tigert, a former U.S. Commissioner of Education:

"Reason and experience both indicate that Federal money cannot be expended wisely and efficiently except by exercising Federal control and supervision, even then there is considerable waste. \* \* \* If we embark upon a program of turning over Federal money to schools without any strings attached, it is only a question of time until the waste, extravagance and misuse of these funds will result in a reaction or a change. The alternative is Federal control.' <sup>107</sup>

"Robert Murray Haig of Columbia University wrote:

"The demand for increased Federal participation in the support of education is accompanied by the specification that there shall be no Federal control of educational policy. At once the interesting question arises: Can any jurisdiction take responsibility for levying the taxes for any particular purpose without sooner or later being forced to take the responsibility for defending that expenditure and without being asked to answer taxpayers that the money is being spent in a proper manner. \* \* \* No mere audit will satisfy the demand. Sooner or later the jurisdiction which imposes the taxes will exercise real control.' <sup>108</sup>

Twenty years later James Bryant Conant stated his belief of the likely results of Federal aid:

"To imagine that recurring appropriations of this magnitude can be made without careful budgeting on the part of the administration seems to me to be the equivalent of imagining completely irresponsible government. Careful budgeting will mean, in turn, a strong executive agency which must have access to a mass of factual information about the educational situation in every State. \* \* \* The educational committees of the House and Senate will have every reason to examine into details of curriculums and school organization, much as committees of the State legislatures now do from time to time. Certainly, a new chapter in American public education will have opened.' <sup>109</sup>

"The experience with the large Federal programs in highways, urban renewal, farm support, public welfare, etc. demonstrate that controls gradually tighten as the Federal share increases, as conflicts arise between Federal and local officials about the most effective use of the funds, and as abuses occur which lead to public scandals. <sup>110</sup>

"Let us now assume that it may be possible to administer Federal school aid—in contrast to aid for other purposes—without Federal control. After all, professional administrators in the U.S. Office of Education, in State departments of education, and in local school systems belong to one close-knit, battle-hardened, national fraternity whose members have stood shoulder to shoulder in upholding each other against the 'barbarians,' and in defending the educational theories which have dominated the scene for over a generation. Thus, the U.S. Office of Education might find ready acceptance for its directives (labeled 'guidelines') and policies among local school administrators, and there would be no need for Federal dictation.

<sup>106</sup> NEA and AASA, 'Federal-State Relations in Education,' 1945, p. 15. This is, indeed, a rare case of a special interest group describing the ill effects of its own activities—although this was, of course, not the intention of the authors who were referring to some other groups rather than to themselves. They saw the mote in somebody else's eye but not the beam in their own.

<sup>107</sup> John J. Tigert, 'The Real Peril of Federal Subsidies,' *the Nation's Schools*, July 1934.

<sup>108</sup> Robert Murray Haig, 'The Outlook for School Finance in the Light of Recent Trends,' *Elementary School Journal*, May 1939.

<sup>109</sup> James Bryant Conant, 'The Child, the Parent, and the State,' Harvard University Press, Cambridge, 1959, p. 56.

<sup>110</sup> Recent scandals in the interstate highway program which caused an investigation by the House Public Works Committee will undoubtedly bring about stricter and more detailed controls by the Bureau of Public Roads.

"The National Association of Housing and Redevelopment Officials has repeatedly complained that 'the Federal agencies are utilizing loan and grant, annual contributions, and other financial contracts with local public agencies as a means of extending Federal control of local programs \* \* \* controls are imposed upon local programs that go far beyond any conditions provided in the basic legislation. \* \* \*' *Journal of Housing*, November 1955, p. 375.

"The controls upon farmers are too well known to require further comments. State and local public assistance administration operates under regulations and close supervision of the Departments of Health, Education, and Welfare.

"Some of these policies would not necessarily be in keeping with the beliefs or wishes of the lay public of what the schools should be doing and how. That is where the reinforced cooperation among the professionals at all levels would show its effectiveness in overcoming 'backwoods' resistance. The influence of parents, communities, and legislatures is likely to wane if an increasing share of the funds does not depend upon their approval and is derived through 'Federal aid without Federal control.' Boards of education for many years have tended to concern themselves mostly with approving tax rates and bond issues and selling them to the public than with the setting of educational policies. They largely turned into ratifiers of professional proposals. Boards which tried to assert themselves against their superintendents in regard to educational policy sometimes found themselves at the receiving end of a nationally organized investigation.

"An editorial in the *Nation's Schools* (June 1960) referred to 'the indefinable sense of uneasiness' with which some school administrators view the growing strength of school board organizations and questioned whether 'the school board is to be secretly appraised as a group to be controlled or stymied.' Among the fears of school administrators: 'The possibility that school boards as organized groups may embark upon programs to influence school legislation in direct conflict with the goals of professional groups.'<sup>111</sup> Another report stated that 'The deepening concern board members show for their responsibilities gives rise to a major problem. One aspect of this is the alarm with which professional educators view amateur direction of school policy.'<sup>112</sup> A keen observer of the educational scene threatened that 'local boards are in danger of voting themselves out of power, if they refuse to accept guidance from those who will increasingly map out national goals and standards.'<sup>113</sup>

"The purse strings have been the main instrument by which communities and boards of education have tried to make their influence upon school policies felt. Federal aid would make it less necessary for educational administrators to bow so low to legislators, boards, and to the lay public; it would give them more of the independence they have so long sought.

"The fight over Federal aid to education has been commonly viewed as a battle over money for the schools. It is conceivable that the real issue is not just money.<sup>114</sup> The crucial issue may well be a power struggle over the control of the schools between the organized profession and the lay public. Federal funds would strengthen the hand of the educational bureaucracy and weaken the veto power of the communities. Such an outcome would be hailed by some, deplored by others.

#### "C. FEDERAL AID MEANS CENTRALIZATION OF GOVERNMENT<sup>115</sup>

"It has been convincingly argued that the National Government which participates in the financing of many activities that used to be regarded as State and local responsibilities should not discriminate against schools. Are roads, hospitals, welfare, more deserving of national support than education? Is it more of a national responsibility to teach children how to cook than how to master their native language?

"One quick reply might be that opponents to school aid tend to be foes of governmental centralization as such and to dislike the other Federal programs as well. But this does not answer the question why Congress enacted dozens of aid programs for other purposes and only a few small ones for the schools. One element may well be that the States provide little support for local activities other than the schools. But the major factor is the fear that a major Federal entry into education would be more damaging to the principle of local autonomy.

<sup>111</sup> Loc. cit. This refers to the fact that the professional organizations do, and school board organizations do not, support Federal aid.

<sup>112</sup> Education Summary, Oct. 12, 1958.

<sup>113</sup> Fred M. Hechinger, 'School Conflicts,' the New York Times, May 29, 1960.

<sup>114</sup> Views differ on whether Federal funds would be a net addition to school revenues or, at least partly, substitute for State and local funds. The aggregate amount of school income might be raised but little.

<sup>115</sup> John J. Tigert, former U.S. Commissioner of Education, was quoted in 'What Others Have to Say About Federal Subsidies,' *The Nation's Schools*, February 1934: 'The use of Federal money for support of schools would decrease local support. The net amount available to schools would be no greater as local support would vanish about as fast as Federal money became available. There would be a diminishing interest in local responsibility and other evils always attendant on paternalism.'

<sup>116</sup> See ch. III, sec. 5.

The rapid expansion of grants-in-aid for various purposes has shifted much control to Washington. Schools, it is held, are a landmark of home rule which should be kept out of the Federal realm. Opponents to Federal school aid believe 'that once this dam is breached, there will be no holding back the floods, that the Federal Government will assume an ever-growing role in education and in other State and local activities. They visualize that in a few decades with the further growth of Central Government financing of State and local activities, nothing may be left of our Federal system of government with its union of strong and self-propelled States except a few empty symbols and rituals and a nostalgic memory, that we shall have but one all-powerful Central Government with regional offices, which may or may not be called States.'<sup>116</sup>

"Woodrow Wilson, while still a professor of government, wrote a statement that ought to be lifted from oblivion:

"There can, I suppose, be little doubt that it is due to the moral influences of this policy that the States are now turning to the common Government for aid in such things as education. Expecting to be helped, they will not help themselves. Certain it is that there is more than one State which, though abundantly able to pay for an educational system of the greatest efficiency, fails to do so, and contents itself with imperfect temporary makeshifts because there are immense surpluses every year in the National Treasury which, rumor and unauthorized promises say, may be distributed amongst the States in aid of education. If the Federal Government were more careful to keep apart from every strictly local scheme of improvement, this culpable and demoralizing policy could scarcely live. States would cease to wish, because they would cease to hope, to be stipendiaries of the Union, and would address themselves with diligence to their proper duties, with much more benefit to themselves and to the Federal system.'<sup>117</sup>

"For many years, however, it has not been the States which have been asking for Federal aid to education but largely organizations of school employees. They appeal against the decisions of the constituted State and local authorities and ask Congress to overrule them. They assert, in effect, that during the most prosperous period this or any country has ever known, American parents are either so deprived or so depraved that they cannot or will not provide the funds to give their children an adequate education.

"Massive Federal aid to education would be more than just another grant program. The president of the National School Boards Association, Carl B. Munck, warned the members of his association in April 1959: 'The narcotic of Federal aid will become a habit for whose indulgence the victims will soon surrender that which they now so highly prize.'<sup>118</sup>

#### "D. FEDERAL AID RUINS CIVIC MORALE

"The most serious charge against general Federal school aid may well be that it would set an example for our youth, and for the American public in general, that the way to get what we want for our children, for ourselves, for our community, is not to work and pay for it but to seek a device by which we can have others foot the bill. Gov. Arthur B. Langlie of Washington said in an address to the American Assembly on October 15, 1955:

"Instead of squarely facing our responsibility of paying for the things we want, we seem to be getting into a free-for-all scramble to evade the painful duty, in the hope that the squeeze may be put on somebody else. Too many still believe that we can eat our cake and have it, too. This unhealthy trend is being fanned by shrewd promoters who claim that they have found the secret for which the alchemists had been seeking in vain, that they can get for us something for nothing—not by making gold but by the device of so-called Federal grants-in-aid. To the uncritical onlooker they seemed to prove their point that we can hitch on to a rainbow and ride to the sky. \* \* \* The most dangerous trend—harmful not only to the States but to our whole system of free government—has been this tendency to evade individual and collective responsibility. It corrupts the civic morale, and erodes the feeling of personal accountability among public officials.'<sup>119</sup>

<sup>116</sup> Roger A. Freeman, 'Federal Aid to Education—Boon or Bane?' American Enterprise Association, Washington, 1955, p. 3.

<sup>117</sup> Woodrow Wilson, *Constitutional Government*, 15th ed., 1900, pp. 29–30.

<sup>118</sup> Carl B. Munck, 'Some Thoughts on Federal Aid,' School Boards, April 1959.

<sup>119</sup> Arthur B. Langlie, 'Stronger States in the Federal Union: Why and How,' State Government, December 1955.

"In another speech in New York City on November 2, 1955, Governor Langlie stated:

"The demonstration of how to get the things we want in life—but which we are unwilling to pay for—by putting pressure upon our public officials, has had a poisonous influence upon the minds of many millions who became used to the idea that it was better to look for a gimmick than to labor in the sweat of one's brow. The insidious effect of a policy of always trying to get something for nothing, of searching for a way of letting somebody else get stuck for the check or for loading the cost on to a distant future may be hard to eradicate.' The most effective appeal for Federal school aid has been the suggestion that new buildings, more and better paid teachers, if financed at the State or local level, would force up taxes but that by shifting the cost to the Federal Treasury it would not mean higher taxes, that it would come for free, or be loaded unto other States, other communities, other economic groups. President Herbert Hoover wrote: "Our people, under the illusion that money from Washington is pure manna, are selling right and left their birthright as free men."

"Some of the existing grant programs have set examples which are destructive of State and local responsibility and of attempts at solving local problems by local initiative: The interstate highway program rewards the citizens of States which have been laggard and penalizes those which took the initiative and pulled themselves up by their bootstraps; the open end public assistance programs encourage the design of ingenious techniques by which some States manage to tap the Federal Treasury more effectively (or more rapaciously); through school construction aid, communities which taxed and bonded themselves heavily to take care of their own needs, would be forced to foot part of the bill for others which sat back and waited. A massive program of Federal school aid may through such demonstration effectively destroy civic morale in communities and States throughout the Nation.

#### "IN CONCLUSION

"Federal school funds were purely nominal prior to 1930 when they accounted for only a fraction of 1 percent of the school income. In the postwar period, while Federal grants-in-aid for a variety of State and local activities proliferated to about 100 and soared from under \$1 billion to over \$7 billion annually, comparatively little Federal money was authorized for the public schools. The indemnity payments to federally impacted communities and the school lunch commodities and funds are not aid to education. Only two school aid programs are now in operation, one of a continuing, one of a temporary nature: grants for vocational training, and the 4-year plan to aid foreign language and science education, guidance, etc. These two programs combined account for less than 1 percent of all school revenues and one-eighth of one percent of the Federal budget. How much do contributions of this magnitude help to bring school revenues from \$12 billion to a hoped-for \$24 or \$30 billion?

"This truly is scant harvest for a century-long impassioned campaign, fervidly pursued by dedicated nationwide organizations whose members and applied resources number many millions. It is preposterous to assume—as some of the drive's protagonists have done—that the Members of Congress are prejudiced against education and deliberately discriminate against the schools. Rather, it appears that Congress after listening to extensive arguments for Federal aid, year after year, is not convinced that such aid is necessary or desirable. It has authorized minor amounts, earmarked for specific activities to meet temporary emergencies, but consistently denied pleas for general or massive school aid because it found the fiscal case for such aid—the claimed lack of State and local capacity and the Federal taxing superiority—to be spurious. It is significant that the authorities which are de lege and de facto responsible for school support—the State governments and the boards of education—have not asked for aid. Rather, the schools' employees, claiming to speak for the schools, have demanded that Congress overrule the decisions of their States and their communities.

"The ideological case for Federal aid which calls for national standards and national and professional direction of educational policy has found little echo in Congress or among the great majority of Americans who are philosophically committed to home rule in education. This attitude could some day change. But the congressional debates of recent years leave room for doubt whether the extraordinary efforts of the school aid protagonists against no organized resistance have brought massive general Federal school aid as close to realization as its supporters believe."



Senator MORSE. Mr. Freeman, on behalf of the subcommittee, as well as myself, I want to thank you very much for this discussion.

Senator CASE, any questions?

Senator CASE. No questions.

Senator MORSE. Senator Goldwater, any questions?

Senator GOLDWATER. No. I just want to comment on Dr. Freeman's thoroughness. I wish that everyone that has expressed an interest in this subject could have heard him this afternoon. I wish that everybody interested in it would read his book. I think it would become completely clear to every American that the responsibility should remain with the family and not be transferred to the Federal Government and, as one parent who believes very firmly in that responsibility, I want to thank you, Dr. Freeman, for the work you have done in this field.

Mr. FREEMAN. Thank you, Senator. I may mention that I have two children in public school.

Senator MORSE. Senator Dirksen?

Senator DIRKSEN. Dr. Freeman, you were in the room this morning when I queried Senator Metcalf about impacted areas, and he insisted, of course, that was aid to education, and I insisted that the Federal grants were in lieu of taxes.

Now, I am sure that question has come to your attention, and I would appreciate some comment on it.

Mr. FREEMAN. Yes, sir.

Senator, we can follow this question either historically or analytically. Analytically, it is this: The basis for local property tax support rests on two columns which are the homes and the working places of the people who live there.

The homes supply roughly about half, in the national average, I think, about 47 percent of the property tax base, and the other half are farms and the places where the people work.

Now, if you take half of the base out from under it, the tax rests only on one rather than on two columns; you have taken half of it out.

So if the people work in so-called federally impacted areas, you have only half of the local support for those schools, and for this reason it was necessary that some provision be made, because if those people were working in private industry and not for Government, the property would not be tax exempt.

So the justification for this program is the fact that under the constitutional immunity, which goes back to the old case of *O'Connor v. Maryland*, 1819, the States cannot tax Federal property.

Therefore, some way had to be found because otherwise the people who lived there would have to pay, so to speak, twice the property tax.

So the Federal Government assumed a role as if it were a private employer, and were taxable, but since Federal property is not taxable, the support had to come in another form.

The question became serious during World War I when the Federal Establishment was expanded very rapidly, and there could be no waiting, and something had to be done right away because the children were there. The program was then recast into its present form in 1950.

The committee whose research I directed back in 1953-55, suggested that this type of support is actually a payment in lieu of taxes, and should be changed from its present form to a general system of payments in lieu of taxes.

As you know, payments not only to schools but to other local governments, to counties, to cities, which also provide public services, but have had their tax base removed out from under them, were proposed in bills. In fact, the Eisenhower administration supported this, and Senator Humphrey has been fighting for it, so this is not a partisan matter at all, as you may see.

It seems to me, Senator, that the thing to do about the 815 and 874 program is to replace it with a general system of payments in lieu of taxes to local governments whose property tax base has been cut by the fact that Federal property is not taxable by State and local governments. This is No. 1.

I do not want to take any more time, but if I have answered your question, I believe I will leave it at that.

Senator DIRKSEN. But it was done in lieu of taxes, that was the point.

Mr. FREEMAN. There is no question about it. The only justification for this program is the fact that Federal property was taken off the rolls, and is not taxable under our constitutional immunity of Federal versus State and local governments.

Senator DIRKSEN. Now, you mentioned 237 school districts that did not have, evidently, enough taxable base to meet their needs out of a total of a little over 40,000 school districts.

I can vouch for the figure because I inserted it in the Congressional Record last year, and I obtained it from Secretary Flemming.

Let us assume in one of those 237 districts they want to build a school and, obviously, if their means are slender, they want to build it as cheaply as they can.

So if they put their affairs in order, they advertise for bids, and a contractor bids for it with a low bid, and he gets the job, and then suddenly someone says to him, "Now you are familiar with the Federal law, aren't you?"

Meaning, of course, if any one of these three major bills were enacted, and he might say, "Well, of course, I am going to build this as best I can under the circumstances and as quickly as I can."

And a member of the board says to him, "Now, you know there is a provision in the Morse bill, and there is a provision in the McNamara bill that you have to comply with the Davis-Bacon Act, which is a Federal enactment relating to wages," and the contractor may say, "I didn't take that into account in my bid."

So somebody has to say to him, "Well, we are sorry, sir, but you are going to have to comply with Federal law. It doesn't make any difference what the local requirements are; it doesn't make any difference what the State requirements are."

Would you call that Federal control?

Mr. FREEMAN. Senator, may I add one more thing to this?

Senator DIRKSEN. Surely.

Mr. FREEMAN. There was a legislative inquiry in the State of Pennsylvania into the cost of school buildings, and it was found that State-aided school buildings, on the average cost about 20 percent more locally financed school buildings.



There was also a legislative inquiry in the State of California a few years ago, and reported that State-financed school buildings cost more than locally financed school buildings.

If that is true in the local-State relationship, there is no question that it would be even more true in the State-Federal relationship, in addition to the provisions of the Davis-Bacon Act.

Senator DIRKSEN. Well, would you say that the intrusion of that requirement constitutes a type of control over the local school district?

Mr. FREEMAN. Well, sir, as I mentioned, there are quite a few controls built into these bills which would be mandatory upon the passage of these bills, and the Davis-Bacon Act is just one of the requirements.

I would say that the main control in the bills as proposed is this: Most of the bills require that a State plan be drafted by the State department of education, and in that plan the State department of education in its own judgment divides the funds between teachers' salaries and construction.

It draws up a plan on how to divide the Federal funds among the various school districts of the State, and that plan then has to be approved by the U.S. Commissioner of Education.

Now, under the present provisions in all of the States, these decisions are made by the State legislature, by the local boards of education, and by the local people who vote on the issues.

Under these bills, the Federal law would provide that the State department of education makes the decisions, and that is unquestionably a major type of control.

Senator GOLDWATER. Let us pursue that a bit further. Let us say a State, under the administration's bill, would get \$6 million for its use of construction or the payment of teachers' salaries. But let us say that the total expenditures of the State for educational purposes might be \$26 million.

Am I not right in assuming that these controls would apply to the total expenditures in the State, including State funds and Federal funds?

Mr. FREEMAN. That, Senator, is inevitable, because if you control part of it, you can change the balance, because you can adjust the funds which are controlled according to the way the rest is spent.

So that if the State department controls the Federal funds whenever, in its judgment, it feels more ought to be spent it will put more or all Federal funds of it into that item, and nothing into the others; and what the program would be used for is to whip local districts into conformance with the wishes of a State department of education. As you know, there have been arguments over State versus local control in many States. The conflict is mostly, to put it quite plainly, between the State educational bureaucracy and local boards and the local people.

Senator GOLDWATER. And controls, like a determination of wages paid for school construction, would apply to the \$20 million as well as to the \$6 million if that was the total spent for construction?

Mr. FREEMAN. If we only have, say, 10 percent Federal money and 90 percent of local money, you would still have to pay all wages according to Federal law, in other words, the control would apply to all.

Senator GOLDWATER. Because before the Federal Government could allot any money the State would have to take action to comply with the wishes of the Commissioner?

Mr. FREEMAN. The State has to give assurance in advance that only the wage rates would be permitted which the Secretary of Labor certifies.

Senator GOLDWATER. Thank you.

Mr. FREEMAN. So there is no way out. Once you have even a penny of Federal money in it, the control would apply all the way through.

Senator DIRKSEN. Mr. Freeman, you have, no doubt, examined the historical basis for these efforts to secure Federal aid for education. How far back does this effort go?

Mr. FREEMAN. Well, sir, as far as I have been able to determine, the first bill was submitted in 1870.

Senator DIRKSEN. 1870?

Mr. FREEMAN. Yes.

Senator DIRKSEN. That is 91 years ago.

Mr. FREEMAN. Yes, sir.

Now between 1870 and 1890 the debates on Federal aid to education were about as intense in the House and in the Senate as they are at the present time, and have been in recent years, and if you read the speeches in the Senate in the 1880's you will be very much reminded of the recent years. If you changed a few figures you will find roughly about the same speeches.

The interesting thing is this: Between 1870 and 1890 when these debates were going on, there was only a very slight improvement in educational finance.

Prior to the Civil War the increase was tremendous. Between 1890 when the debate actually ceased and 1910 and 1920 there was a tremendous increase in educational finance, but in the 20 years when a school aid bill was very close to passage, the State and local increase for education was not substantial, and the quotation which I inserted a little while ago from Woodrow Wilson indicated that. Why? Because the State legislatures were waiting, and if somebody else was going to hang the bell around the cat's neck, then, they would not raise State funds. This is what happened.

There is one other thing I would like to mention, sir, because it has come up time and again and has been quite misleading in this debate: namely, the story that Federal aid is older than the Constitution, and dates back to 1785.

This story has been told time and again, and with your permission I would like to rectify the record on that.

After the Revolutionary War, the Confederation or the Continental Government, at the time, owned no land.

In 1780 the Congress appealed to the States to donate their western lands to the United States of America, and seven States over the next few years complied and donated some of their western lands, ceded them to the National Government.

The National Government first tried to sell the land because they had a heavy debt from the Revolutionary War. They found out that they could not sell it, and then they learned a lesson, which the Federal Government has applied many times since. If you cannot sell something you can always give it away.

So that, at that time, the practice started of land grants and they gave away close to 1 billion acres of land. Of the 1 billion acres of Federal domain that was given away, about 70 million went to schools, and hundreds of millions went for various other purposes. Now, none of these other recipients have ever claimed, to my knowledge, that that entitled them to continued Federal support.

As far as the schools are concerned, sir, when you follow the debates you will find this: That the purpose of the grant of section 16 was not to support education. In fact, the idea of support of education never entered into the discussions.

It was a scheme to induce settlers to move to the practically uninhabited areas west of the Appalachian Mountains and give them some land which, just a few years ago, had been ceded by the States.

Furthermore, sir, the Ordinance of 1787 was passed in the same year in which the Constitution was drafted, and there is no mention of education in the Constitution. Now, if it had been the intention of the Founding Fathers to support education, undoubtedly they would have mentioned education in the Constitution. But I would say the most cogent argument is this:

At that time virtually all American children, at least 98 percent or possibly more, lived not west but east of the Appalachian Mountains. Only 1 or 2 percent of the children lived west of the mountains, and the children east of the Appalachian Mountains had few schools to go to. Most of them had to do with makeshift arrangements.

But all of the lands, all of the grants, were given where no American children were residing at the time.

Now, it seems to me if the purpose of the grants had been to support education, to foster education, why would the grants or some aid not have been given to the areas where all American children were residing at the time and needed schools rather than in areas where the children were not, but where it was hoped that the parents would move later?

So, it seems to me, that this had nothing to do with Federal aid to education. Actually there are only two acts at the present time in existence which are Federal aid to education for the schools. The two are the Vocational Training Act and the National Defense Education Act, and these acts have two things in common.

In the first place, they both are restricted to specific areas of the curriculum which are closely controlled.

No. 2, both were enacted in a war emergency. The Vocational Education Act was enacted within a few weeks of America's entry into World War I, when there was a need for defense mechanics.

The National Defense Education Act, as you know, was enacted a few months after sputnik.

So, in other words, all the Federal aid to education to schools that is presently in existence is (a) to specific curriculum subjects and, if that is not curriculum control, then I do not know what is and, two, it was enacted in a war atmosphere and war emergency.

Furthermore, the two programs together total about \$100 million a year, which is less than 1 percent of the school budget, and about one-tenth of 1 percent of the Federal budget. In other words, they are purely token appropriations.

Federal aid to education to the schools is practically nonexistent in this country at this time, and the interesting thing, it seems to me, is this, Senator:

In the 90 years since Federal aid to education became an issue in Congress, since 1870, close to 100 programs of Federal aid in grants to the States have been enacted, but almost none to education.

Now, the reason for that is not that the Members of Congress are prejudiced against education or against children. But I think there is a more valid reason. This is quite obvious, and that is that the Federal Government should stay out of education.

No. 2, sir, if you take the total volume of Federal grants-in-aid to the States you will find that it has tripled every 10 years from 1930 to 1940; it tripled again from 1940 to 1950; it tripled again from 1950 to 1960.

If you follow that up and continue that rate of progression, within a few years you will have nothing but Federal grants-in-aid to the States and you will have no States left.

Senator DIRKSEN. Now, it was contended before this committee that the Morrell Act, named after Justin Morrell, the Congressman, and signed by Abraham Lincoln in 1862, was an aid to education act, but I thought it was tied up with military training. Now, you tell me about it.

Mr. FREEMAN. Well, sir, the suggestion was made in the 1850's that the colleges were providing largely academic education and not enough for the farmers and for the workingmen.

Now, obviously, if Congress gets into that, you again have curriculum control, because if you give aid to certain items of the curriculum and not others, if that is not control, I do not know what is control.

The act was actually passed in 1859 and was vetoed by President Buchanan with a very pungent statement that it was no business of the Federal Government.

I cannot quote you the statement from memory, but I would very much like to supply you with a statement of President Buchanan in vetoing that act.

Senator DIRKSEN. Can we have the whole veto message?

Mr. FREEMAN. Or just part of it, possibly.

Senator DIRKSEN. I would like to see the whole veto message.

Senator MORSE. Would the Senator like to have the veto message?

Senator DIRKSEN. Yes; it is in Buchanan's papers.

Senator MORSE. You would like to have it read at the hearings, or to put it in the record?

Senator DIRKSEN. In the record.

Senator MORSE. The Chair rules that it will be put in the record. (The message referred to will be found on p. 631.)

Mr. FREEMAN. I would like to mention that the matter came up again during the Civil War and during the Civil War with hardly any debate it was passed, because at that time again agricultural production and mechanics were badly needed on both sides, but it happened to be passed in the North, and President Lincoln signed it without much fanfare, which made some of the lands available for the colleges. Incidentally, the amount last year was so inconsequential, \$5 million a year in a budget of higher education of about \$5 billion,

that obviously it was really insignificant. Why so much attention ever was paid to it, frankly, I do not understand.

Senator DIRKSEN. Well, now, what about the military aspects of it?

Mr. FREEMAN. Yes. Of course, you know that in most cases you do have the Reserve officers training, and there are some provisions which sometimes are quite onerous.

I cannot offhand give you all the details of the provisions, but it has led to some difficulties here and there.

Senator DIRKSEN. I attended a land-grant college, and there was a requirement of military training.

Mr. FREEMAN. Yes, sir; and the result of it is that sometimes those students who cannot take an oath for some reason have to march without a uniform and that is embarrassing.

But the main thing is, you have a program there that was enacted during a war, that affects the curriculum rather than providing general support and which, in amount, has become completely inconsequential because if you review the budgets of any of the major institutions and see how much the land-grant funds amount to, you will see it is barely a drop in the bucket when, until last year, you had \$5 million of those funds in total expenditures of \$5 billion; that is a token and nothing else.

Senator DIRKSEN. Are you familiar with the present effort to include the humanities and the classics as a part of the National Defense Science Education Act?

Mr. FREEMAN. I know about it and, of course, I cannot see any reason why, if you gave aid for some, you should not really for others.

For example, under the Vocational Training Act, the Federal Government gives support, when some girls or boys learn how to cook, but it does not give support when they learn how to spell or when they learn their arithmetic, which I do not think makes much sense.

At the present time the support is only for equipment in science and so forth.

I think the purpose of the Defense Education Act, as the atmosphere was in 1957-58, was to strengthen specific aspects to which not enough attention was paid, because there was a feeling, and I think justifiably so, that too much of the school's money went into frills, and I could quote to you the titles of some of the courses. It is well known. Some of you may remember the TV show from Alhambra High School which is a few miles from where I live, in which some highly qualified high school seniors said they were intending to study engineering but were taking co-ed cooking in their senior year.

Well, I can understand then that Congress wanted to have the Federal funds applied only to physics and to foreign language training.

Now, if you expand it to everything, why, that really removes the purpose of the National Defense Education Act, it seems to me.

Senator DIRKSEN. Well, that makes it back-door Federal aid to education, does it not?

Mr. FREEMAN. Yes, sir; most decidedly so.

Senator DIRKSEN. That is all.

Senator MORSE. Thank you very much, Mr. Freeman. We are glad to have your testimony.

Mr. FREEMAN. Thank you, Senator.

Senator MORSE. I will insert in the record, at the request of Senators Cooper and Morton, this statement of the Federal impact and burden

by the Hardin County Board of Education, Elizabethtown, Ky.; and another statement on a similar subject matter from the Hopkinsville Public Schools, Hopkinsville, Ky.; a summary of proposed amendments to Federal impact area laws; and also at the appropriate place in the record, to be selected by Mr. Lee, our counsel to the committee, certain other communications which Members of the Senate have asked to have included in the record, or which have been sent direct to the chairman of the subcommittee.

These will be inserted at the close of today's session.

(The documents referred to will be found on p. 720.)

Senator MORSE. The next witness will be the Senator from California, Senator Engle.

Senator Engle, we are glad to have you. We are delighted to have you with us, and you may proceed in your own way.

### STATEMENT OF HON. CLAIR ENGLE, U.S. SENATOR FROM THE STATE OF CALIFORNIA

Senator ENGLE. Thank you very much, Mr. Chairman. I appreciate the opportunity to appear before you today in support of legislation to provide for Federal assistance to our public schools.

I have long been convinced that the Federal Government has a real and definite responsibility in the education of the youth of this country. I have consistently supported and cosponsored legislation providing for Federal aid to help the States overcome critical shortages in classrooms and inadequacies in teachers' salaries. I therefore welcomed the farsighted proposals that President Kennedy sent to Congress last month offering a broadside attack on the serious gaps in our educational facilities.

Today I am here for the specific purpose of presenting my reasons for taking exception to one phase of the administration's proposals.

I refer to titles II and III of the administration proposal, S. 1021, relating to Federal aid to areas impacted by tax-free Federal property and installations, Indian reservations, or Government contractors.

This section of S. 1021 would put on a permanent basis those provisions in Public Law 874 and Public Law 815 authorizing Federal payments to school districts to help pay the local share of the cost of free public education for children whose parents are employed on tax-exempt Federal property but live in taxable houses, or who live on Federal property but work on taxable property.

However, this section of S. 1021 also proposes to reduce the Federal payment per child under Public Law 874 and Public Law 815 from the present 50 percent of the district's local contribution rate to 25 percent of such local contribution. Furthermore, it tightens the area's eligibility over 3 years by requiring that in the first year the parents of 4 percent of the pupils lived or worked on Federal property (instead of the current requirement of 3 percent); in the second year, 5 percent; 6 percent in the third year.

The effect of the proposed cutback on the federally impacted school districts in the State of California would be devastating. Fifty-three percent of the children in California go to schools in districts receiving aid under Public Law 874 and Public Law 815. The effect of the cutback would be equally as tragic in a number of other States



where defense activities and other Federal programs have mushroomed since World War II.

I urge the committee to substitute for title II and title III of S. 1021 the language of my bill S. 1078, which would continue the temporary provisions of Public Law 874 and Public Law 815 on a permanent basis but at present levels of entitlement.

If Public Law 874 were extended as it is now, and as I contemplate in my bill, California would receive for fiscal year 1962 an estimated \$42,955,850. Under the provisions of S. 1021, California would receive \$26,197,000—or a loss of about \$16,750,000. In addition, the increase in the minimum eligibility requirements would reduce entitlement under Public Law 874 for 1962 by \$351,000 by eliminating from eligibility 26 school districts, and would by 1964 remove 83 school districts from the program.

Under a straight extension of Public Law 815 as it now stands, and as I contemplate in my bill, California would receive about \$9 million for construction of school facilities in federally impacted areas. Under S. 1021, California would receive an estimated \$7,692,000, or a loss of \$1,374,000.

These are just some of the bare figures, Mr. Chairman. We have with us today an eminent educator, Dr. Ralph Dailard, superintendent of schools in San Diego. Dr. Dailard is prepared to give you the whole story on federally impacted school areas in California and to project for you the serious consequences that would be suffered in California and in other States if titles II and III of S. 1021 became the law.

I have received hundreds of letters from various school districts in my State pointing up the dire results of a cutback in the programs under Public Law 874 and Public Law 815. I would like at this point to read an excerpt from a letter I have received which is representative of the numerous pleas that have come to my attention:

The Berkeley Unified School District is already making an extreme effort through the taxpayers to provide the needed financial resources with which to operate a sound educational program. As you are aware, the legislative limit for district taxes for unified school districts is \$1.65 per \$100 of assessed valuation. Our district is now operating at a legal limit of \$2.50, an increase of 85-cents which was provided by the voters some 5 years ago, and will operate at a \$3.25 limit beginning July 1, 1961, as provided by a further 75-cent tax increase at the November 1960 election. There is a limit to which the property-owning taxpayer is willing to be taxed in order to support educational and municipal functions. The withdrawal of Federal support under Public Law 874 and Public Law 815 would be a serious blow to the financial economy of our district.

That is from the Berkeley Unified School District and it is typical, as I have said, Mr. Chairman, of a great number of letters I have received.

The problems of school districts in federally impacted areas are unique and cannot be solved equitably through a general Federal aid to education program alone.

The aid under Public Law 874 and Public Law 815 is for a specific purpose and for specific localities where the impact of federally connected children is felt.

What is the justification behind the proposed arbitrary 50-percent reduction in benefits to federally impacted school districts?



The Secretary of Health, Education, and Welfare, in his letter of February 27, 1961, to the President explains the proposed cutback on the ground that payments under Public Law 874 and Public Law 815 are made solely to compensate for the loss to a local community of the commercial or industrial tax potentialities because of Federal tax-exempt activities.

I question the proposition that payments to local school districts have been made on a strict theory of payments in lieu of taxes.

This thesis has consistently been rejected by Congress because Congress has recognized the fact that the impact of accelerated Federal activity in a community creates abnormal problems that transcend the realm of real property taxation.

Federally impacted areas have problems that other communities do not have to face. First there is the sudden impact of an accelerated population increase. This immediately creates the problem of increasing all public services—schools, roads, water supplies, transportation, police, health service, and so forth.

All of this creates an abnormal drain on local resources that cannot be met by the normal increases in property taxation.

And let us remember also that the population in many of these areas is fluctuating and because the Federal activity itself is often unstable, there is less investment in permanent residential property; and less, I may add also, in commercial properties for the same reason.

The payment-in-lieu-of-tax theory is an abstraction that simply does not measure up to the realities.

It is common knowledge that California is constantly undergoing a tremendous growth in total population, as well as in school population.

This normal growth, without considering that resulting from Federal activities, has strained the financial resources of most California communities to the limit to provide essential school facilities and other community requirements. As a matter of fact, the capability of a school district to bond itself is limited by law and the cutback in Public Law 874 and Public Law 815 moneys may mean the very bankruptcy of many California school districts.

The argument presented that the communities have had ample time to adjust their school tax structures simply ignores the fact that the tax structures of school districts are controlled and restricted by the State constitution—and amendment to the constitution to upset the historical tax structure of the State are not easily achieved.

There are probably more military installations and other Federal projects in California than in any other State in the Nation. These Federal activities bring, on top of the normal population growth in California, large numbers of children whose parents are required to work in the plants and man the military installations.

The number of people required at these Federal installations is so great that they must live in communities surrounding the one in which the base is located.

It is an established principle of municipal finance that taxes on homes alone will not pay the normal costs of operating government and providing the necessary facilities and services.

And when the major installation in the area is nontaxable, the community simply cannot, without adequate Federal help, provide

adequate school facilities and services for the children of these Federal workers whom Uncle Sam has found necessary to located in the area.

I am afraid, Mr. Chairman, that hundreds of thousands of children in this country will wind up deficient in education if the proposed cutback in Public Law 874 and Public Law 815 is enacted into law.

I am sure that I do not have to remind this Committee on Education that losses in education suffered in the formative years cannot be made up and the harm done will be irreparable.

I urge the committee to support the substitution of the language in my bill S. 1078 for the proposals made in titles II and III of S. 1021.

I would like to defer to Mr. Dailard who will present in more detail and more explicitly the financial impact of this proposal on the particular school districts of California.

Senator MORSE. Senator Engle, we are very glad to have your testimony.

I want to say that I have already requested the representatives in the room from the Department of Health, Education, and Welfare to prepare for us and for the benefit of the committee a memorandum in regard to this federally impacted area problem.

After I receive that memorandum, I intend to discuss it with Secretary Ribicoff and with the President, because I want to be absolutely certain that the bill which I shall do my best to get passed on the floor of the Senate does not do an injustice on the subject matter.

It is the one part of the bill about which I have already announced that I have grave doubts.

I want particularly to call to the attention of the representatives of Health, Education, and Welfare who are now in the room the testimony that you have just given.

I will reserve judgment as to what my final position will be, but I would be less than honest if I did not say, I am very hopeful that the President himself will help me in a judgment, because I think at the present time the evidence seems to indicate rather clearly that this section of the bill may need to be reconsidered.

Now, may I say good naturedly and in the spirit of a little fun with you, based upon my speech in the Senate last Friday, that I am glad to hear from the Senator from California such a complete verification of my point that there seems to be some tendency on the part of both the past administration and this present one to fail to understand that Oregon falls between California on the south and Washington on the north, and that it is part of the Union.

I hope the administration will pay attention with respect to some of these needed Federal installations and locate them in Oregon. The Senator has testified so adequately this afternoon about those which have been located in California in such large numbers. To give Oregon just a little bit for our share would benefit the whole west coast.

I want to thank the Senator from California for the help he has been to me in his testimony this afternoon.

Senator ENGLE. I thank the Chairman for his comments, and I want to say, although we welcome Federal installations, they do bring their problems.

And let me emphasize, Mr. Chairman, that this is a matter of great seriousness to us because these school districts are now working on

their budget for next year, and they have to get their tax structure put together, and the doubt about what is going to happen just simply leaves them up in the air.

They do not know how to program.

If the bill, as written, is going through, they have one problem.

If it is going to be changed, they have another.

So let me say to the Chair and to the committee that the sooner we can get a solution of it and get the answer, we would like to have the right answer. We would like to have the case put back to where it was.

But we would like to have an answer fast because it is important to these school people to know now.

I appreciate the opportunity to be here.

Senator MORSE. Thank you very much.

The next witness will be Senator Proxmire of Wisconsin.

#### STATEMENT OF HON. WILLIAM PROXMIRE, U.S. SENATOR FROM THE STATE OF WISCONSIN

Senator PROXMIRE. Thank you very much, Mr. Chairman.

I am very mindful of the work this subcommittee has done and the tedious hours which you have spent in hearings. I will be as brief as I possibly can.

In the first place, I would like to say that I am enthusiastically in favor of the general principle of this bill.

I have supported legislation of this kind in the past, and I expect to do so in the future.

I am sure the subcommittee needs not to be reminded of the overwhelming importance of education from every standpoint and the immense need for a greater national effort than we have had in the past.

I am convinced on the basis of my own observations in my State, as a candidate for Governor three times, as a member of the State legislature, as one who has spoken to more than 250 high schools in Wisconsin in the last year and a half, in my State the property tax simply cannot do the job. It cannot begin to do the job.

In many areas the school districts may not be at the statutory limit where they cannot borrow, but whether they are or not, they are in a situation where the local farmers, the people who own their homes and so forth, the small business people, simply cannot bear a heavier property tax burden.

In the second place, I am convinced that State taxes cannot do much more.

We are in competition with other States. Other States are in competition with us, and this competitive tendency on the part of States prevents them from becoming progressive in their tax structure or more progressive, and it makes it very difficult for them to levy even additional regressive taxes.

I would like to point out, too, something that the subcommittee knows, but I would like to reinforce it a little bit. That is the long record of conservative support for this legislation.

This is something that has been argued for many, many years before the Congress. Rutherford Hayes, known as a conservative Re-

publican President, in his message to Congress, December 3, 1877, said this, and I quote only two sentences:

The wisdom of legislation on the part of the Congress and the aid of the State for education to all peoples in those branches of study taught in the schools of the country is no longer a question. I shall be glad to give my approval to any appropriate means which may be enacted by Congress for the purpose of supplementing with national aid the local systems of education in all of the States.

This was, incidentally, anticipated by President Grant, and it was followed up by President Garfield.

As Mr. Freeman has said a little earlier today, this was a debate that was conducted in the Congress 75 to 80 years ago. With the enormous urgency from the national defense standpoint, with the obligation we have to our children, it seems to me we simply have to push ahead.

Now, I think the reason that we have not been able to proceed in the past—there have been many reasons, but the major reason—is because there have been legitimate, proper and understandable feelings on the part of many people that the Federal Government would dominate, dictate, control education.

Whether this has merit or not, it is one that is sincerely and deeply felt.

I know that section 3 of the bill last year, S. 8, and section 103 of this bill, is about as explicit and emphatic as language can be drafted.

I know that the chairman of this committee has said many times what Senator Taft said when he championed this legislation:

Show me a way in which this can be made more restrictive as far as the Federal Government's interference is concerned and I will write it into the law.

This is why I am here this afternoon. I think Senator Cotton got off to a very intelligent and proper start when he suggested sharing the cigarette tax.

The only reason I feel that that is not the answer is because I feel the funds made available are simply insufficient.

So what I am proposing instead of that is that we provide for a sharing of the Federal income tax. I think I can show the committee that that can be done with no real interference with the amount in this bill or the distributive equity of the present bill, because what this amendment does is, very simply and briefly, to substitute language in the bill to provide, for example, on page 1, line 8, instead of saying:

It is the purpose of this title to authorize a 3-year program of Federal grants—make it—

It is the purpose of this title to authorize a 3-year program of Federal income tax sharing with the States.

And then I go on to page 2, line 12, where I insert the following language:

Since the amounts to be paid to each State under the provisions of this title are a portion of tax payments originating in such State.

Senator MORSE. What page is that on, Senator?

Senator PROXMIRE. That is on page 2.

Senator MORSE. What line?

Senator PROXMIRE. Line 12.

After title: "In the administration of this title," then I add this language:

Since the amounts to be paid to each State under the provisions of this title are a portion of tax payments originating in such State.

Then I go on to one other section where the provisions have to be made. That is on page 9, line 10, after section 107, I insert the basis on which this distribution will be made.

Very simply to explain it—and I will, of course, offer the amendment for the committee's consideration—what I do is to provide that each State will be returned a share of the income taxes paid by the residents and resident corporations of that State which will give them a sufficient amount to meet the criteria set forth in this bill.

That is S. 1021.

In other words, it would be possible that one State might receive half of 1 percent; another State might receive 3 percent; another State, 5 percent. The amounts distributed would vary.

But they would vary on the basis of a formula that is actually set forth in S. 1021 as it is now.

At any rate the reason I am doing this is obvious. It is to reinforce the strong feeling on the part of many people, including myself, that there might be some future danger that the Federal Government might conceivably step in and use the Federal grants as the basis for dictating educational policy.

This makes it, it seems to me, much more difficult for the Federal Government to do it—I think virtually impossible—in view of the way Congress would have drafted the bill under these circumstances.

Senator MORSE. You require a showing on the part of the States as to the specific expenditure of the funds so as to make certain that they went for educational purposes?

Senator PROXMIRE. Yes. That would not be changed from the present bill. S. 1021 would not be modified in that respect at all. They still have to make the same showing.

Now, I have one other amendment which is an amendment that is concerned with something that I am sure concerns other Members of the Senate, too.

It returns to the S. 8 system of distribution which, as I understand it, instead of being average daily attendance, it was the average number of school-aged children in a particular State.

Now, I have done this because, No. 1, as I understand it, there was no quarrel with S. 8 on this basis last year, at least no very loud or conspicuous quarrel.

People seemed satisfied with the system of distribution at that time.

There may have been some undertones, but it certainly never reached the level of very strong floor debate or amendment.

In the second place, I feel that children, whether they are in a public school or in a parochial school, do require services which, in fact, are provided by the local taxpayers to parochial schools.

Police services, fire services, highway services are made available. There are many other services that are provided for parochial schools tax free, and, of course, we all approve that. I argue that the States should be compensated for this. My amendment would do this. The present bill does not.

In the third place, and this is the most important of all, I enthusiastically support the principle of parochial schools.

We have many of them in our State—probably more, I think, as a matter of statistical fact than any other State in the Union—not only Catholic schools, but many, many Lutheran schools. These schools provide a kind of pluralism in our society that is very healthy.

I think the greater diversity we can get in education, the better.

I think we should do all we can to preserve it.

I am aware of the fact that this kind of legislation, particularly if it provides only for average daily attendance, is going to make it harder in the future than it has been in the past for the parochial school, and I think this is a great shame.

One of the things that some States have done is to provide assistance not to the school for transportation, but to the pupil; and, as I understand it, this has been found constitutional.

School transportation has been made available to the pupils who wish to attend parochial schools. This kind of thing, I think, is good and should be encouraged; not discouraged.

Therefore, I think that a distribution on the basis of the number of pupils in the State, rather than average daily attendance, will make funds available to a State which will make it much easier for the school authorities in the State to develop services to pupils who do attend parochial schools.

I think that this must be done, if we are going to encourage our private schools to continue in the future as they have in the past and provide the grand service that they have in the future as they have in the past.

I think that the constitutional problems for any other kind of assistance to the parochial schools are extremely difficult.

I voted in support of the Morse amendment last year; I will do so again.

I think it was wise and sensible. I think that there are problems as far as putting it on this bill is concerned. The decision of the chairman, or the tentative decision at least, to consider that as a separate bill, I think, has a lot of merit, too.

But I think this is something that could be written into the bill, this notion of having distribution based on the number of school-age children which would simply return it to what we had last year, and would provide, I think, a greater equity.

It would provide some basis for encouragement of parochial schools by local authorities where they wished to do so, local and State authorities, in the future.

These are the two amendments I submit, and with the permission of the chairman, I will leave them with the clerk of the committee.

Senator MORSE. We will have them printed at this point in the record.

(The amendments referred to follow:)

AMENDMENTS TO S. 1021, A BILL TO AUTHORIZE A PROGRAM OF FEDERAL FINANCIAL ASSISTANCE FOR EDUCATION

On page 3, lines 6 and 7. strike out "per public school pupil, the number of such pupils, and the effort for public school purposes" and insert in lieu thereof "per child of school age, the school-age population, and the effort for school purposes".



On page 3, lines 14 and 15, strike out "the number of public school pupils in the State in the preceding fiscal year" and insert in lieu thereof "the school-age population of the State".

On page 3, lines 21 and 22, strike out "the number of public school pupils in such State in the preceding fiscal year" and insert in lieu thereof "the school-age population of such State".

On page 4, lines 13 and 14, strike out "public school pupil for the State by the income per such pupil" and insert in lieu thereof "child of school age for the State by the income per child of school age".

On page 4, line 24, strike out "public school pupil" and insert in lieu thereof "child of school age".

On page 5, line 8, strike out "public school pupil" and insert in lieu thereof "child of school age".

On page 5, lines 13 and 14, strike out "number of public school pupils in the State or in all the States, respectively, in such fiscal year" and insert in lieu thereof "school-age population of the State or of all the States, respectively".

On page 5, between lines 14 and 15, insert the following:

"(4) The term 'child of school age' means a member of the population between the ages of five and seventeen, both inclusive.

"(5) The term 'school-age population' means that part of the population which is between the ages of five and seventeen, both inclusive, and such school-age population for the several States shall be determined by the Commissioner on the basis of the population between such ages for the most recent year for which satisfactory data are available from the Department of Commerce."

On page 5, lines 22 and 23, strike out "public school expenditures in such year and the public school expenditures" and insert in lieu thereof "school expenditures for such year and the school expenditures".

On page 6, beginning with line 15, strike out all through "pupil" in line 18 and insert in lieu thereof the following: "school expenditure per public school child and 110 per centum of the national school expenditure per public school child for such year, bears to 110 per centum of the national school expenditure per public school child".

On page 6, beginning in line 21 with the word "expenditure", strike out all through "pupil" in line 23 and insert in lieu thereof the following: "school expenditure per public school child equaled or exceeded 110 per centum of the national school expenditure per public school child".

On page 7, lines 15 and 16, strike out "expenditure per public school pupil by (ii) the income per such pupil" and insert in lieu thereof "school expenditure per public school child by (ii) the income per child of school age".

On page 7, beginning in line 24 with the word "expenditure" strike out all through "pupil" in line 1 on page 8 and insert in lieu thereof "school expenditure per public school child".

On page 8, line 3, strike out "such pupil" and insert in lieu thereof "child of school age".

On page 8, beginning with line 10, strike out all through the end of page and insert in lieu thereof the following:

"(3) (A) The 'school expenditures' of any State for any fiscal year means the total expenditures by the State and subdivisions thereof for elementary and secondary education made from funds derived from State and local sources in the State (including payments in the nature of payments in lieu of taxes from any sources), as determined by the Commissioner on the basis of data for the most recent school year for which satisfactory data for the several States are available to him.

"(B) The 'school expenditure per public school child' for any State for any fiscal year means the quotient obtained by dividing (i) the total expenditures by the State and subdivisions thereof for elementary and secondary education made from funds derived from State and local sources in the State (including payments in the nature of payments in lieu of taxes from any sources), as determined by the Commissioner on the basis of data for the most recent school year for which satisfactory data for the several States are available to him, by (ii) the number of children in average daily attendance in public elementary and secondary schools in such State, as determined by the Commissioner for such most recent school year.

(C) The 'national school expenditure per public school child' for any fiscal year means the quotient obtained by dividing (i) the total expenditures by all the States (exclusive of Puerto Rico, Guam, the Virgin Islands, and the District of Columbia) and subdivisions thereof for elementary and secondary education



made from funds derived from State and local sources (including payments in the nature of payments in lieu of taxes from any sources), as determined by the Commissioner for the same school year as is used under paragraph (1), by (ii) the number of children in average daily attendance for such year in public elementary and secondary schools in all such States, determined as provided in paragraph (1).

"(D) The income per child of school age for any State and for all the States shall be determined by the Commissioner on the basis of the incomes per child of school age for the most recent year for which satisfactory data are available from the Department of Commerce."

On page 9, beginning in line 2 with the word "public" strike out all through "pupil" in line 5 and insert in lieu thereof "and school expenditures per public school child, for any State, and his determinations of the national effort, average rate of increase, and school expenditure per public school child".

On page 18, beginning with line 5, strike out all through line 8, and redesignate paragraphs (6) through (11) following as (5) through (10), respectively.

#### AMENDMENTS TO S. 1021, A BILL TO AUTHORIZE A PROGRAM OF FINANCIAL ASSISTANCE FOR EDUCATION

On the first page, line 8, strike out "Federal grants to" and insert in lieu thereof "income tax sharing with the".

On page 2, line 12, after "title" insert "since the amounts to be paid to each State under the provisions of this title are a portion of tax payments originating in such State".

On page 9, line 10, after "States" insert "and determination of such payment as return of percentage of the income tax collections from such State".

On page 9, line 10, after "Sec. 107" insert "(a)".

On page 9, between lines 19 and 20, insert the following:

"(b) (1) The payment to each State for any fiscal year under the provisions of subsection (a) of this section shall be considered as a return to such State of a percentage, to be determined by the Commissioner, of the income taxes collected in such State for such year. The Secretary of the Treasury shall provide the Commissioner with such data as may be necessary to enable the Commissioner to determine such percentage.

"(2) For the purposes of this subsection, the amount of income taxes collected in a State during any fiscal year is an amount equal to (A) the total amount of income taxes collected in the internal revenue district or districts in such State during such fiscal year, less (B) the total amount of credits, refunds, and abatement allowed or paid in such internal revenue district or districts during such fiscal year with respect to overpayments of income taxes. For the purposes of this subsection the term 'income taxes' means—

"(i) the taxes on the income of corporations imposed by chapters 1 and 6 of the Internal Revenue Code of 1954;

"(ii) the tax on the income of individuals imposed by chapter 1 of such code;

"(iii) the withholding tax on the income of nonresident aliens and foreign corporations imposed by subchapter A of chapter 3 of such code; and

"(iv) the withholding tax on the wages of individuals imposed by chapter 24 of such code."

Senator MORSE. I will say, Senator Proxmire, that we are very indebted to you for your testimony.

Your proposal will receive a very thorough and careful consideration by the subcommittee before we make our report to the full committee.

Senator Goldwater?

Senator GOLDWATER. Yes.

Senator, I am very glad to have you before the subcommittee today. It is always good to hear your views. Are you acquainted with my bill, S. 991?

Senator PROXMIRE. I am not sure.

I heard you in your debate with Senator McCarthy, and I was very intrigued and interested in the position you took then.

I presume that your bill might reflect the proposal that you made at that time, but I have not read S. 991.

Senator GOLDWATER. It follows the same general philosophical line that yours does. My bill would permit each taxpayer to take as a credit against his final Federal income tax, up to \$100 a year, the real estate taxes which he paid for public school purposes.

This would mean an additional tax saving of about \$3.25 billion, an amount almost similar to that now available through deductions, and it would not require the money to come to Washington.

It would stay home and be spent there for school purposes or for roads or public buildings, sewers, or anything that the local community might need and desire.

There would be no mandatory provision that the taxpayer would have to spend it, if he did not want to.

He would just have to depend on the continuance of the most excellent record that local communities have made in the financing of local properties down through the years, and I am glad to see that you are at least exploring this possibility. To me, this approach would eliminate any problem that we will have before us, relative to parochial schools and private schools, or the question of segregation.

When we leave the determination up to the local level, they do what they want with it.

I wish you would study S. 991. I think you might become a little more intrigued with it than your own approach, and it will be offered at various times as a substitute.

I would certainly like to have your backing of it, if you see fit. I certainly would not seek any word from you today on it.

Senator PROXMIRE. Well, could I comment on it now?

Senator GOLDWATER. Yes.

Senator PROXMIRE. Could I ask you: Does this provide for the \$100 deduction from the tax? It would be a tax deduction? It would not reduce—

Senator GOLDWATER. After the taxpayer has calculated the amount of his tax, he would then take a credit against this tax of up to \$100.

Senator PROXMIRE. Then he would subtract up to \$100?

Senator GOLDWATER. A tax credit. He could take no more than the \$100, but if he has already taken \$40 as a deduction, he could take \$100, or a total of \$140.

Senator PROXMIRE. I can think—I would like to suggest an objection which perhaps you could meet—if not now, later on—that occurs to me right away. There are many school districts in which income is just fantastically low. This is true in my State; it may be true in your State; it is true in most States, particularly in farming areas; and especially at the present time and in the last 7 or 8 years there are many areas in which, I am sure, that you cannot find a farmer who has paid \$100 in Federal income taxes.

This may be almost inconceivable, but it is true.

Now, these are the districts which most desperately need more assistance.

Our State has tried very hard by equalizing formulas, and so forth, to give them as much as they can. But in these areas the assistance given by your proposal would not be very great, and I think that to the extent that we have any group that is affected, whether they are coal miners in West Virginia, or whether they are people who are affected by industry moving out, here you would have a situation, it seems to me, where it does not do much good to subtract from the income taxes you pay because no income taxes are paid.

It is a matter of somehow getting the funds into the district.

Senator GOLDWATER. Of course, that becomes a problem of the State or the school district or the county, and there are ways that that can be solved.

I would not think there is a State in the Union that can say that every school district can support itself 100 percent.

We were faced with that problem in my State and we added 1 percent to the sales tax earmarked specifically for education.

Now, from that general education fund, the moneys are available to many school districts that have practically no taxable property or very low-valued property. This is the problem of the State.

In fact, the distribution formula of the bills that we have before us would not take cognizance of the individual plight of a district.

It would be the overall plight of the State, and, as I understand it, they would leave the distribution up to the State.

I would merely make the overall amount available to the residents of the State of Wisconsin or the State of Arizona double what it is today.

How the State chooses, or the unit chooses to get that money—by sales tax or property tax—would be entirely up to them. The philosophy behind this—I might say it is kind of hard to put it—but nobody likes taxes.

You cannot find a happy taxpayer in the United States, and the only tax collector they can take it out on is the fellow who is going to peddle the school bonds. They get mad and, in effect, tell him where to go.

I have seen this happen in my State time and time again; good, sound school proposals would be defeated because the taxpayer was mad.

Now, they come around 2 or 3 months later and try the same proposal and knock off what they are complaining about and invariably those pass.

This would be a way of putting more money in the pockets of the taxpayers without it traveling a long distance to Washington and return with the usual deductions, and it would put them in a little better frame of mind.

It would never be astronomical amounts, but the total would be there, and he might feel a little better about it.

Senator PROXMIRE. I must say I think this is a very ingenious and attractive proposal from the standpoint that I have voiced here today of maximizing the local control. It certainly maximizes it as much as any proposal I can think of could.

I would have a reluctance about this proposal, however, in that, of course, there is no guarantee at all that the local authorities will use it for education.

Senator GOLDWATER. You would not want to write it in the bill either?

Senator PROXMIRE. And I know you would not want to do it, but I think that this might be a problem. And unless there is the situation—many, many farmers pay property taxes which are much bigger than their income tax now; in many cases they pay a property tax far more than \$100 for education, much more.

I think there would be a tendency in many areas to say, well, "the Goldwater amendment, the Goldwater bill suggests that the national standard should be \$100 for school property taxes; that is about right in taxes for education." There might be a tendency to push it down to that level, too.

Senator GOLDWATER. No.

This is merely a formula that we arrived at after much discussion and we came up with approximately \$3.5 billion. We purposely did not attack the entire expenditure because we would be talking then about \$12 million, and that is over and above needs.

This is actually over and above the needs that President Kennedy has cited by about 100 percent. But it is there and if we admit that there would be some Americans who would not yield to further taxation for schools, certainly it would not be of the magnitude of 50 percent of them.

So we would still have the amount of money that President Kennedy says we need, which, by the way, does not indicate to me that this is any great problem. We spent last year well in excess of \$16 billion for education, and now the President wants to spend \$750 million a year for 3 years.

In that same time, if the taxpayers just do what they did last year, they will spend approximately \$49 billion. So this is a very low level, this amount.

It indicates to me that the President is not convinced that this is a problem.

Senator PROXMIRE. If, somehow, we could get these funds into the school system with any degree of assurance, I would feel a great deal better about it, because, you see, the way I look at this is simply a relief for taxpayers who happen to pay \$100 or more in income taxes.

It would not do the farmers I am thinking about, or the old folks, or the many others who pay property taxes and pay big ones, have their little home and have to carry that burden, but the fellow who is well off and can most readily afford to pay a tax will be the one that gets the relief. For this reason I am a little——

Senator GOLDWATER. There is another reason for not trying to make it mandatory other than my natural feeling of repugnance against any Federal force being used on our citizens.

I hate to keep using my State, but it is a small State in population and it serve as a good example.

We have been taking care of our school needs out there. The taxes that we imposed for school purposes are partly responsible for a \$12 million surplus.

Senator PROXMIRE. Are you satisfied with the salaries your teachers get in Arizona?

Senator GOLDWATER. Yes. I think in the main, I am. They are 11th highest in the country.

Senator PROXMIRE. I know they are high, but they are still far below the amount paid to people in professions with equal educational requirements.

Senator GOLDWATER. I do not think in a discussion of whether anybody is being paid enough that it is a valid argument to use after comparison with other industries.

I can cite you truckdrivers that make more than schoolteachers, and we might say, well, that is not right, so we ought to make salaries of schoolteachers as high as those of truckdrivers.

Then you can look around and find other people with less skills than either who are making more.

So I have never been convinced, for example——

Senator PROXMIRE. May I say about this, Senator, that I am not arguing necessarily the merits of paying teachers higher than truckdrivers.

I am just saying unless you pay them more than you are paying them now, you are not going to get the kind of teachers we need, the number of teachers we need, with the kind of training they need.

In fact, this study of Thorndike and Hagen—you may be familiar with it; it was made by the Air Force, it seems to me—is pretty convincing that the most able people are leaving teaching.

We simply cannot afford to have the people who are most gifted in teaching, who have the ability to teach, going into other areas which have a far less social value because, in my judgment, there is no service that anybody can perform, with the possible exception of entering the clergy, that has the value to our Nation that teaching has.

Senator GOLDWATER. I wish you would read the testimony that was just presented to us. I think you will get the answer to that.

This movement from one profession to another is not new in American history. In fact, the Air Force is plagued with the problem of highly trained technicians leaving the Air Force to go into other fields that pay more.

But I have never been convinced that pay is the motivation. If persons thought of making money as the only thing in life, they certainly would not pick the teaching profession, nor would they pick the ministry, nor would they pick the military.

And to a large degree, in the lower echelons, nor would they pick the life of a politician.

I have in a number of studies never been able to find salary placed above seventh out of a list of 10 points of attraction for employment.

So, when we talk about teachers' salaries and what they should be, I think you have to have a lot of discussion with teachers and take into consideration the living conditions and so forth.

We have kept our teachers' salaries on the upgrade. They have been going up; they have not been going down. In fact, the statistics are pretty clear that we may be getting more teachers than we will need in the future.

You were asking about whether or not this money would have to be spent for education. I was using my own State and taking my own city. We have many civic problems that are above education at the present time.

We have been keeping our buildings up; we have been keeping teachers' salaries on the upgrade.

We need streets; we need public buildings; we need a larger sewer system.

Now, it may be that the local community will decide that those should take precedence at the present time, and the emphasis should be placed there.

I would like to let that stay under local control. If it were needed for schools, the direction would be toward schools.

Senator PROXMIRE. May I say in reply to that that I would agree that the local control is, in my judgment, just imperative on education.

I think we should have it. But I would also say that the Federal Government—as a nation we have a tremendous interest in education and a tremendous national defense interest.

I think we simply cannot have the kind of Air Force, the kind of Army, Navy, that we are going to need in the future, we cannot have the kind of defense industry that we are going to need in the future, unless we provide an adequate system of education.

I think Admiral Rickover's statement is just so compelling to me: when he appeared before an Appropriations Committee, he said how important education was; and he was asked where you get the money: and he said:

Gentlemen, if I had to make a choice between these weapons that I think are so important to the defense of our Nation or education, I would say give the money to education. I think it is that important; that we just do not have the kind of skills to build the submarines we need, to operate them. We do not have the skills to build the missiles, or in the numbers we need. In this explosion of technology we just have to do a better job.

This Thorndyke & Hagen study showed that a large majority of the teachers who had left teaching after World War II had left it because the pay was inadequate, because the salaries were insufficient.

That was overwhelmingly the reason. It just dwarfed all other reasons. There was no comparison. The fact is that we have over 100,000 teachers in America who are not qualified. In my State we do not even require an A.B. degree, 4 years of college, and we still do not have the teachers who are qualified with our limited qualifications.

It seems to me, Senator, that we just have to do a better job on education, and that when it comes to priorities with buildings and streets, as far as the Nation is concerned there just is not any comparison.

Senator GOLDWATER. I do not argue with you for one second about the importance of education. In fact, I place more importance on it than I do on anything else.

I think it is a parent's responsibility and probably the parent's prime responsibility in their lives to provide education for their children.

But testimony presented here today showed that female teachers were leaving teaching at the rate of about 1 percent a year to enter private business.

Now, it might be true that 90 percent of those leave for pay purposes, I would not doubt that a bit.

Senator PROXMIRE. That was female. I am talking about the male teachers.

Senator GOLDWATER. The female of the species dominates in the level that we are talking about, which is the high school down through the elementary grades.

I have just one other thing I want to ask you because this is going to come up; we can probably say we hope it will not come up, but being practical, it is going to come up.

I keep hearing that we should not discuss the parochial problem in connection with this bill; that we will discuss it at a later date.

Now, if it is right to discuss it at a later date, why can it not be discussed in connection with this bill? My feeling is this, and I have said this this morning; it is hard for me to morally argue that you can take money from members of any religious faith that run schools and then not return that money to them if you make Federal grants in aid to education generally.

Senator PROXMIRE. I can see no reason at all why you should not discuss anything you wish, of course, but at the same time I think that it is apparent that in the past we have had excellent housing legislation and excellent education legislation either killed or seriously jeopardized by the adoption of desegregation amendments.

And I think that there has been no question, at least in my mind, and in the minds of many people, observers, unbiased observers, that the purpose of introducing the amendment was to kill the legislation.

Now, I think it may be possible that the introduction of legislation providing for assistance to parochial schools in the form of direct grants, which in the judgment of many of us, would be unconstitutional, will kill this legislation, and I am sure that people who introduced it would not do it for that reason, but I think that could easily be the consequence.

And I think that it is perfectly proper for those of us who feel that way to voice objections on this ground:

We may think there is every reason to consider this separately. But we feel so strongly about the absolute necessity for this kind of legislation that we would feel constrained to fight hard against having meritorious amendments adopted that are inimical to passage of this bill.

As far as speaking about it, of course, as you know, there is plenty of freedom in the Senate to offer any amendment we wish. I think that people should be perfectly free.

Senator GOLDWATER. It is a problem and we must be practical in recognizing that it is with us, and it is going to be with us throughout the discussion of this bill. It may well be, if attached to it, that it will kill this legislation.

I am one whom that would not make unduly unhappy. But I would not introduce legislation for that purpose. However, I just cannot see how we can morally take money from the Catholics or Episcopalians or Jews or any other religion that operates schools and then not share that money with them when they have building problems and teacher problems of their own.

Senator PROXMIRE. You do not complain about the property tax in Arizona that you pay.

Senator GOLDWATER. No, not at all.

Senator PROXMIRE. That certainly is taken from people who are Catholics, Lutherans, and so forth.

Senator GOLDWATER. Yes, at the State level they can give it back.

Senator PROXMIRE. At the State what?

Senator GOLDWATER. At the State level they can give it back, if they want to.



Senator PROXMIRE. It is not done in Arizona, is it?

Senator GOLDWATER. No.

We do in some counties provide transportation, but there has never been any apparent need for it in our State either among parochial or private schools. We have been able to take care of our own.

Our State is not a good example to pick. But this is a problem.

We also have another problem. Can you morally take tax money from Negroes and not see to it that their needs are recognized as we distribute their money among the people of the country? This is a very hot issue, but I do not see how we can sweep it under the carpet.

Senator PROXMIRE. No, no, I think we certainly ought to discuss it, by all means.

Senator GOLDWATER. We probably could discuss parochial schools separately, although I do not think you can, but I do not see how we are going to avoid the issue—is it morally right not to allow the Negroes to participate in the very taxes that they pay?

Senator PROXMIRE. My position is that it is not morally right, and I am sure it is yours, too.

Senator GOLDWATER. I know that is yours, and it is mine, too. I have nothing further.

Senator MORSE. One question, Senator.

Do you think it is fair to adopt a policy based upon this educational problem of, in effect, allowing a State to keep certain amounts of Federal taxes collected in a State and then spend them for any purpose they want to spend them for, including or not including education?

Do I make myself clear?

Senator PROXMIRE. Yes, you do.

I was just trying to reflect on your proposal. It seems to me that we have no specific rationalization in this case for the deduction as we have for dividends in which 4 percent of the dividend can be deducted from the income tax. The grounds in that case are that the corporate income tax and the personal income tax on dividend recipients is a double tax.

We relieve that double tax a little bit. You would not have any corresponding rationalization for just making a \$100 deduction unless that money were for a national purpose such as education.

Senator MORSE. That brings out my point, and I just want the record to show my point of view because it was a very interesting discussion you and Senator Goldwater had, and that is this:

I think if you are going to have a deduction, it ought to be based upon a principle of uniformity in its application.

I do not think it would be fair to let State X, for example, have the benefit of the deduction and spend it for sewers when all other States carry out, what at least was the original intention, or at least the basis for the deduction in the first place:

That it would be made available for them to spend for school purposes, if they desired.

The chairman's position is that if you are going to adopt any principle of tax deduction, then the purpose should be for uniform application.

I do not consider it a Federal interference with the State, because there is no question about the authority of the Federal Government to collect the tax in the first place.

If it has the authority to collect the tax in the first place, it certainly has the right to say we are relinquishing the tax only for a specific purpose and no other.

Senator PROXMIRE. I would agree.

Senator GOLDWATER. I might give my rationale there. There is no question that the Federal Government has the right to impose taxes, but it is not an obligatory right. We do not have to impose taxes, if we do not need them.

Now, if we pass this bill in its present form, it is going to require \$750,000 a year.

We do not have that money now.

Unless we continue to kid ourselves that we can continue deficit spending forever, we are going to have to collect this money in the form of taxes in order to afford Federal aid to education.

Now, that being true, my suggestion is merely to recognize that the right to tax is a double-edged sword. You can reduce taxes, too.

And if you need 750 million more dollars a year to pay for this project, would it not be better to allow that money to stay home than to have it travel here and have the expenses attendant to that deducted before it gets back home?

In other words, I apply the same thing, the same philosophy to the supposed need for Federal aid for the aged. We are talking about something around \$2 billion to \$3 billion. I have argued with the Secretary of the Treasury that if he made more attractive what I consider to be rather attractive deductions now, it might cost us \$2 billion or \$3 billion out of the Treasury and the general fund, but it would eliminate the necessity for additional taxes that would eventually reach the magnitude of \$10 billion or \$12 billion.

Senator PROXMIRE. It seems to me that now we are getting to the main thrust of your amendment.

It is a tax reduction. It may or may not, as you say in your own words, have any effect on education, but why not simply reduce taxes and do it in an equitable way? Reduce taxes, perhaps, by increasing the exemption.

This is a tax reduction which, it seems to me, is about as regressive in a sense as you can get. Now, maybe we should have a regressive tax reduction. Maybe the income tax is too progressive; a lot of people feel that way; but this would certainly be one that would correct for any progressivity, because the principal benefit of this kind of tax reduction would go to people who have good income and ability to pay.

Senator GOLDWATER. No. Your \$100 you could not exceed. If I paid, for instance, \$200 or \$400 a year in school taxes, I could only deduct \$100.

Senator PROXMIRE. That is true as far as people who pay more than \$100, but once again the fact is that we have literally—I am sure we have at least a million, and I estimate that we have several million people who pay less than \$100 in Federal income taxes.

Senator GOLDWATER. That is right, but——

Senator PROXMIRE. They would get very little benefit from this, and it would be to their rate of income taxes——

Senator GOLDWATER. They would get it——

Senator PROXMIRE. The word I was grasping for is "inverse." It would be an inverse relationship to their income, as their income was below \$100.

It would, that is if their income tax is below \$100. If their income tax was so low that they paid \$20 in income tax, they would get one-fifth of what it was if they paid \$100 in income taxes.

A person whose income tax is \$20 would have a very low income; his ability to pay would be very small; but a person who paid a tax of \$100, his income would be higher; his ability to pay would be relatively higher.

So below \$100, the higher his ability to pay, the greater would be his tax reduction. And as his income diminished, the effect, of course, would be less and less and less beneficial until he got no benefit at all.

Senator GOLDWATER. We are not looking upon this as a benefit to the taxpayer.

If we say that we need \$250 million a year from Federal aid to education, money is not the problem. My argument is that it is better spent at the local level, and every piece of evidence that we can gather shows that the American people have been taking care of their education needs at a very surprising rate.

This proposal of mine would, for example, go directly to about 40 million taxpayers. It includes about 34 million homeowners, and their families constitute about 90 percent of the population. In other words, the money is left at home.

It is along the same philosophical approach that you have made only you have written some rules and regulations into it that I do not think we should write into it, because I think the local government should determine the local needs; not the Federal Government.

Senator PROXMIRE. What I have tried to do is to provide the assurance that it would go for education.

Senator GOLDWATER. I would not want any mandatory provisions.

Senator PROXMIRE. But it would be clear that this money was money that originated in Arizona or the people of Oregon, Texas, or Wisconsin, that it came from them, and that, therefore, there would be a stronger, it seems to me, philosophical basis for arguing that there cannot be any Federal administrative interference.

Senator GOLDWATER. There would be no Federal interference in this at all, and if the State did not need the money at that particular time for school purposes, it would be up to the State's judgment as to what they would best use it for.

Just to wind this up, I have said it before and I think you will agree:

This problem that faces us is not one of numbers, it is one of quality, and I think we have to agree that the quality of our educational system at the lower levels is due, I think, in large part to the family's fault and to the education system's fault when they are in the high school. It has not been producing the student that we produced 25 or 30 years ago.

Now, I am hopeful that we can make changes there, because the money is there. The money is being spent but we are not getting the quality for the dollar.

It is not quantity that we want. We want better students to come out of our colleges, and I think we have excellent colleges, but I do

not think we are sending the proper product into the college, so at the end of 4, 6, or 8 years he comes out with the understanding of education and the education that he should have.

Senator PROXMIRE. There is no question in my mind that there is a lot of merit in that. I think that finances are not the only problem.

I feel very strongly that the principal responsibility is not even the families or the school authorities. It is the student himself.

I think our students must get a greater sense of responsibility and a greater determination to work hard than they have in the past.

We can say this, but all we can do is to provide him with better teachers, better paid teachers, better trained teachers, so that maybe they can provide some of this inspiration.

I think money can help them do it.

Senator GOLDWATER. I think the family has a very grave responsibility there.

Senator PROXMIRE. Sure, the family has a very great responsibility.

I would not demean that at all in any sense. It is a great responsibility, a very heavy one, but the fundamental responsibility, I think, in our society is with the individual.

As long as there is free public education, it is up to him to get it, and I think the emphasis ought to be there.

Senator GOLDWATER. You would instill in the boy or girl through the family?

Senator PROXMIRE. Oh, yes.

Senator GOLDWATER. I had it instilled in me in rather severe measures from time to time. I wished it had taken a little better, but I think the basic responsibility here is to provide better quality.

I agree with you that it comes from incentive on the student's part to gain an education, and then it becomes the responsibility of the parents to supply the wherewithal for the construction of schools and provide for the proper remuneration of teachers.

But I think sometimes we get the cart out in front of the horse on this whole thing. I am not going to detain you any longer.

I have enjoyed discussing this with you and look forward to further discussion.

Senator PROXMIRE. Thank you very much, Senator. I have very much enjoyed this.

Senator MORSE. I thank the Senator very much, as well as the Senator from Arizona.

The next witness is Father William O'Brien, assistant professor of government, Georgetown University.

I am very sorry, Father O'Brien, that I could not put you on the stand before. I hoped to hear you early this morning.

I want to say that the Chair will have to leave at 4:30, and Senator Goldwater has agreed to preside after 4:30 until 5 o'clock.

Proceed, Father.

**STATEMENT OF FATHER WILLIAM O'BRIEN, S.J., ASSISTANT  
PROFESSOR OF GOVERNMENT AND CONSTITUTIONAL LAW,  
GEORGETOWN UNIVERSITY**

Father O'BRIEN. Mr. Chairman, my name is F. William O'Brien, S.J., assistant professor of government and constitutional law at Georgetown University. I shall be as brief as possible.

First of all, since I am not a representative of any group or organization, my remarks will have to be accepted as those of a college teacher interested in the improvement of our schools and interested, likewise, in the constitutional and economical factors involved in the various suggestions made to have the Federal Government assist in hastening this improvement.

I shall commit myself to no specific proposal. My purpose is simply to underscore certain points which members of the subcommittee may find useful in their own deliberations.

First of all, if we assume that education is a matter of concern for the Federal Government, this concern should be comprehensive.

Approximately 15 percent of primary and secondary students are in nonpublic institutions. Since 1940, the enrollment in these schools has increased 147 percent while enrollment in the public schools has grown 42 percent. In spite of this spectacular growth and in spite of bursting classrooms, parochial schools each year must turn away thousands of children who seek entrance.

A spot check of one area revealed to me that approximately 20 percent failed to secure admission for want of space. In many other areas the percentage is higher. How many discouraged parents never even apply cannot be ascertained.

This sad situation was highlighted 2 years ago by the New York Times which reported that in April 1959, 100 parents equipped with camp chairs and blankets waited all night on the sidewalk for as long as 16 hours to register their children in a parochial school on the following morning.

In not a few places anxious parents are now enrolling their children at the age of 3 or 4 or younger. Thus, in a country of compulsory education, the perplexed administrators of parochial schools often find that their most unpleasant task is how sadly and kindly to compel eager and qualified children out; not to compel them in.

This distressful situation merits two observations.

First, as to the children fortunate enough to have gained admission, our Government and our society cannot afford to be indifferent to the secular training given in subjects like mathematics, science, and language to one-sixth of all children in primary and secondary schools. It seems strange that such a substantial number will be untouched by a vast national program whose aim is the general improvement of education in America.

I am not prepared to state how the Federal Government might most expeditiously manifest that its concern is all embracing. It is sufficient here to stress the point that it is sound social philosophy and clearly within the American tradition for Government to encourage and assist lesser units in society that freely undertake works which would otherwise become duties incumbent on society and Government itself.

Thus, Carl Zollman, author of "American Civil Church Law," has written about private hospitals, schools, and charitable institutions that—

The State \* \* \* is making a very good bargain in having part of its work performed by them for such minimal consideration like tax exemption (p. 237).

In many American communities parochial schools educate 30 or 40 percent of the school population. The total number of children in

primary and secondary nonpublic institutions is approximately 7 million, of which well over 5 million attend parochial schools. It is to the benefit of the States and of the Nation for Government to extend every permissible encouragement to these institutions.

My second observation on the plight of private schools is directed to the question of meaningful freedom of choice in the vital area of education. In 1925, the Supreme Court spoke thus:

The fundamental theory of liberty upon which all governments in this Union repose excludes any general power of the State to standardize its children by forcing them to accept instruction from public teachers only (*Pierce v. Sisters*, 268 U.S. 510).

This basic right could be jeopardized.

If three levels of government tax the heads of families and use the money raised for the public schools alone, it, in effect, compels many parents to send their children to these schools.

As John Marshall said: "The power to tax is the power to destroy"—in this instance, to destroy the capacity of parents to make a real choice with money from their own pocket.

All that would remain for many parents would be a formal, theoretical, and legal freedom of choice.

There are some people who would be happy to see all children in the one public school system. I think this would be contrary to the American tradition. Moreover, other countries, whose traditions and values are similar to our own, deem variety in education a thing to be prized. A recent booklet, "Education in Great Britain," published by the British Information Services, emphasizes as a laudable feature of the British system "the prominent part played by voluntary organizations" and stresses the fact that "diversity rather than uniformity (is) encouraged" (p. 1).

It would perhaps be helpful and refreshing if Americans, caught in the narrow confines of the current controversy, were to study the concrete, practical measures taken by the Government of Great Britain to assist voluntary groups in providing this diversity in education.

Admittedly, we must strive to achieve these goals within the framework of our own constitutional system. However, I do not believe that the Constitution inhibits the Congress from somehow assisting parents to provide secular education for their children in the school they choose even though some benefits also flow to their religion.

This actually was the decision in the *Everson* case (330 U.S. 1) which allowed tax-raised funds to be used for transporting children to public or parochial schools.

It is difficult to state what else might be permitted under the interpretation of the first amendment as set forth in other parts of the opinion of the Court.

But it is relevant to note that the Court did not in the *Everson* case, nor in the *McCullum* case of 1948 (333 U.S. 203), overrule the unanimous *Cochran* decision of 1930 (281 U.S. 370), which allowed secular textbooks to be loaned to all children attending public, private, or parochial schools. Moreover, in the latest application of the strict interpretation of the first amendment given in the *Everson* case, the Court permitted the public school to accommodate its program to aid

the religious interests of the children in attendance (*Zorach v. Clauson*, 343 U.S. 306, 1952).

In the light of these rulings and of our total constitutional history, it is by no means clear that Congress may not in the interest of the general welfare spend tax money for the secular education of all American children even though some of these children may receive this training in private or parochial schools.

On this point those interested might well consult the writings of such legal authorities as Wilber Katz of the University of Chicago, Edward Corwin of Princeton, Mark De Wolfe Howe and Arthur Sutherland, both of Harvard.

It perhaps should be added that from a constitutional and legal point of view there does not seem to be a basis for drawing any distinction between college students and those in primary and secondary schools.

If aid to the former is permissible, there appears to be no clause in the Constitution or in any court decision proscribing aid for the latter.

What form of aid this should be, I am not prepared to say. In my statement above I attempted merely to underscore certain constitutional principles, certain basic values in American society, and certain individual rights which seem to me most relevant to this discussion. I am certain that the members of the subcommittee will give them the most careful consideration when it decides what in the concrete is the most feasible public policy for the Nation today.

I thank you for your kind attention.

Senator MORSE. Father, I appreciate very much having your testimony in the record.

I noted with interest your reference to Dean Katz, Professor Corwin, Professor Howe, and Professor Sutherland.

I am familiar with the specific views of Katz and Sutherland and in general with the views of Corwin and Howe, but I would like to have counsel for the staff prepare a letter to send to Corwin, Katz, Howe, and Sutherland, asking them if they would like to submit a legal memorandum on the Morse bill and on the subject matter of the constitutionality of Federal loans to private schools. It should include a section on whether or not, in their opinion, those loans would have to be at the interest rate covering the cost of the use of the money.

It would be very helpful, in view of the fact that Father O'Brien has mentioned these recognized constitutional authorities, if they would like to volunteer a memorandum in response to a letter from us.



(The letter of inquiry and replies thereto follow:)

MARCH 23, 1961.

Prof. ARTHUR E. SUTHERLAND,  
*Professor of Law,*  
*Harvard University,*  
*Cambridge, Mass.*

Prof. WILBER G. KATZ,  
*Professor of Law,*  
*The University of Chicago,*  
*Chicago, Ill.*

Prof. MARK DEWOLFE HOWE,  
*Professor of Law,*  
*Harvard University,*  
*Cambridge, Mass.*

DEAR PROFESSOR: As you may know, the Education Subcommittee of the Senate Committee on Labor and Public Welfare has recently completed public hearings on S. 1021 and related bills. The proposed legislation is concerned with an extension of Federal aid to the public school systems of the various States.

During the course of the hearings, it became evident that areas of constitutional controversy were of great interest to witnesses participating in the hearings.

In view of your eminence in the field of constitutional law, as chairman of the subcommittee, I respectfully request your views on the following points:

1. The constitutionality of S. 1021, a copy of which is enclosed.

2. The constitutionality of a measure which would provide loans for construction purposes to private and parochial schools at both the primary and secondary school levels.

With respect to the second request, it may be assumed that the interest rate on such loans would be sufficiently high to cover the cost to the Government of the hiring of the money. It would not, therefore, be a commercial rate of interest, in that the Government would not expect to make a profit from such loans. In other words, the Government would not expect to be "out of pocket" as a result of the transaction.

A further assumption would be that the administration of the program would be governed by guidelines established in the law to assure that repayment ability criteria were met by all successful borrowers.

I can assure you that I and my colleagues will be most appreciative of your assistance in considering the constitutional implications of legislation of this type. On behalf of the subcommittee may I express our thanks for this public service.

With kindest regards,  
Sincerely,

WAYNE MORSE,  
*Chairman, Subcommittee on Education.*

---

LAW SCHOOL OF HARVARD UNIVERSITY,  
*Cambridge, Mass., March 27, 1961.*

Senator WAYNE MORSE,  
*U.S. Senate,*  
*Washington, D.C.*

MY DEAR SENATOR MORSE: I have received your request for an expression of my views concerning (1) the constitutionality of S. 1021, and (2) the constitutionality of a suggested measure which would provide loans for construction purposes to parochial and other private schools at primary and secondary levels. With respect to the second question I am making the assumptions which you summarized in the sixth and seventh paragraphs of your letter of March 23.

There can be no serious question, in my judgment, concerning the constitutionality of S. 1021. Unless there is some technical flaw in the printed bill which has escaped my eye it seems to me wholly clear that the Congress has ample power to give such financial support to public schools throughout the Nation as it may consider appropriate for the promotion of the general welfare.

I cannot take seriously any suggestion that may have been made that Federal aid to the public schools is unconstitutional if equivalent or analogous help is not provided to private schools. Certainly the whole history of public education in this country makes it clear that there is no obligation on the Government which supports public schools to make its funds available also to private schools. The fact that some of these private schools are the agencies through which parents may assure their children a religious education does not, I feel sure, support the thesis that either the parochial schools or the parents of children attending those schools are denied a constitutional liberty or equality if the burden of maintaining the schools is left wholly in private hands.

I mention these considerations with respect to S. 1021 only because I fear that some persons who have been seeking to secure Federal aid for parochial schools have attempted to elevate an argument based on concepts of equity to the dignity of a contention grounded in the Constitution. I believe that the claim when stated in constitutional terms is wholly unjustified. If that be so then I can see no colorable argument that S. 1021 is unconstitutional.

This leads me to your second question. While the first amendment, as interpreted by the Supreme Court in the *Ererson* and *McCullum* cases, remains the law of the land doubts concerning the constitutionality of the suggested program of loans, as it applies to parochial schools, have obvious justification. I am myself persuaded, however, that a plan of the sort described, subject to some limitations, does not violate the first amendment.

Perhaps I can best explain my position in this matter by dealing first with the constitutionality of loans to nondenominational private schools. It seems to me quite clear that there is no constitutional barrier to Federal financing of the educational activities of private schools which are serving the public interest by providing that kind of instruction which the States prescribe for public schools. I see no reason, in other words, by Federal grants or loans might not be made to Exeter and Andover, when the aid is directed toward the "public" aspects of their enterprise. I should suppose, however, that it would be of very questionable constitutionality, under the first amendment, for a Federal grant or loan to be made to Andover or Exeter for the construction of a chapel. Obviously a parochial school would have no better right to expend Federal money for the building of a chapel or the decoration of its classrooms with religious symbols than would a nondenominational private school.

I realize, of course, that many men of good will, and many lawyers of extensive learning, conceding what I have so far asserted, would insist that it is impossible for responsible statesmen, asked to help the parochial schools in a time of need, to disregard the fact that most parochial schools are by the very nature of the faith that led to their establishment compelled to make all instruction religious education. They would urge, therefore, that if I concede, as I do, the unconstitutionality of Federal aid in the construction of chapels I should acknowledge that the physics and chemistry laboratories, the slide rules and blackboards in the arithmetic classrooms, are chapels and symbols. Perhaps if I were a better or more relentless logician than I am, I should. The fact, however, is that these questions of constitutionality—like almost all others—seem to me ultimately to be questions of degree. And when I consider those questions I am satisfied that a valid line may be drawn between governmental support of activities that are predominantly of civil concern and those which are predominantly of religious significance.

From what I have said you will see that I am not willing to endorse, without qualification, the constitutionality of the suggested plan of loans for all construction programs in private schools. I believe that serious questions of constitutionality would be presented were there to be no limitations with respect to the type of program for which support might be sought. Of course, I realize that the opponents of any and all programs of aid to parochial schools insist that my innocence will permit bookkeepers to circumvent the prohibitions of the first amendment. Perhaps they are right. I suspect, however, that this bookkeeping habit has become something like a constitutional tradition to which we must adjust ourselves.

May I add two more words. It seems to me that the difficulties of assuring a judicial resolution of the constitutional issues which I have discussed make it more than normally important that these problems be considered with the greatest care and deliberation in the Congress. The tendency to suggest that because the questions may be nonjusticiable the Congress need not worry, strikes me as wholly indefensible. If there are nonjusticiable problems presented the Congress owes a peculiarly nondelegable duty to resolve them. I am encouraged

by your letter to believe that your committee recognizes this special responsibility. Finally I should like to add an expression of an opinion which you did not seek. I believe that it would be a mistake to make provision at the present time for aid to private elementary and secondary schools. I express this strong opinion in order that you may realize that I have attempted to keep my political opinion and my professional judgment in different compartments of my mind.

Very sincerely yours,

MARK DEW. HOWE,  
*Professor of Law.*

---

LAW SCHOOL OF HARVARD UNIVERSITY,  
*Cambridge, Mass., March 28, 1961.*

HON. WAYNE MORSE,  
*Senate Office Building,*  
*Washington, D.C.*

DEAR SENATOR MORSE: Yesterday's mail brought your letter of March 23, 1961, enclosing a copy of S. 1021 and asking my opinion on two points of constitutional law. I have examined S. 1021 and write this letter to give an answer to your inquiries according to my best estimate of this difficult subject. About 10 days ago, at the request of Congressman McCormack of Massachusetts, I sent to him a written opinion concerning H.R. 4970 which, as you know, like S. 1021, concerns Federal aid to schools. The memorandum is printed in the Congressional Record of March 22, 1961, at page A2026. I have taken the liberty of using in this letter a large part of my memorandum to Congressman McCormack.

You ask me first what I think of the constitutionality of S. 1021; secondly, you ask me my opinion of "the constitutionality of a measure which would provide loans for construction purposes to private and parochial schools at both the primary and secondary school levels."

I am sure, of course, that your committee needs no reminder of the great difference between constitutional limitation of congressional powers and, on the other hand, considerations of wise legislative policy. Still I think that it is well, at the outset, for me to state that his memorandum deals only with the constitutional powers of the Congress. Much legislation which the Congress could constitutionally enact, still might, to a Senator or Representative, or to a President considering a veto, seem an unwise exercise of legislative policy even though *intra vires* the Congress. You ask me only what lies within congressional power. To isolate the constitutional issue in such a situation I may usefully require myself to assume hypothetically that whatever measure is in question appears to the Congress and to the President to be beneficial and desirable for the country as a whole. I then ask myself whether, despite this hypothetical resolve, the Constitution denies to the Congress power to enact the measure, and forbids the President to approve it.

As to the constitutional power of the Congress to extend the aid to public schools proposed by S. 1021, I should have no doubt. The contemplated benefit to public education seems to me clearly within the power to spend for the general welfare granted by article I, section 8, clause 1 of the Constitution, to the Congress. Some commentators have suggested that to grant Federal funds to public institutions, without at the same time making grants to private nonprofit institutions including schools sponsored by religious groups, would deny to these latter the equal protection implicitly guaranteed by the Federal due process clause in the fifth amendment. This objection, as a matter of constitutional law, seems to me without substance. I do not here express any opinion of these policy considerations involved which rest in legislative discretion. The principle of equal protection does not guarantee uniform governmental treatment of all human beings; it requires uniform treatment save where a reasonable ground of differentiation exists. The line between public and private education seems to me one which the Congress can constitutionally draw. In many respects Government treats that which is publicly controlled differently from that which is nongovernmental.

One question arises in my mind about section 103, headed "Assurance Against Federal Interference in Schools." The terms of this section are broadly inclusive. The Federal judiciary is made up of officers or employees of the United States, and Federal judges could therefore be thought within the proscription

of that section. If some part of the financial aid to States appropriated by the bill should be used in a discriminatory manner forbidden by the 14th amendment, would section 103 in terms purport to withdraw from the judiciary their present competence to take jurisdiction of the matter? I am confident that no such intention is in the mind of any sponsor of the legislation; the words deserve however, some careful scrutiny.

Your second question treats of loans for construction of primary and secondary parochial and other private schools. I take it that the measure, or a companion measure, would provide similar loans for public school construction as well; and that the provisions of law would in general resemble those of title 4 of the Housing Act of 1950 (12 U.S.C. sec. 1749 et seq.). A measure which would single out schools sponsored by a religion, making religious character a condition of public benefits, would present questions quite different from a measure granting loans to educational institutions generally, including non-profit private religious schools along with the public and lay private institutions.

For the purposes of this letter then, I assume, for example, a measure providing loans on terms similar to those provided by title 4 of the Housing Act of 1950 (12 U.S.C., sec. 1749 and following). Suppose that the Congress should be convinced that better elementary and secondary education was necessary to the general welfare of the United States, to its capacity to produce necessary scientists and technicians to aid in our national defense, and to produce the necessary educated men and women to conduct our complex governmental and private economic system. The Congress might consider that our children and youths must look to the elementary and secondary schools in this country for a firm grounding in such basic building blocks of education as an accurate and understanding use of the English tongue; elementary mathematics; the history of the United States and its neighbor nations; some knowledge of the geographical fundamentals of the United States and of the rest of the world, and of our own resources and those for which we depend on other nations; a reasonable familiarity with the structure of our National and State Governments, with our constitutional ideals and practices; some knowledge of the basic principles of the sciences on which we depend more and more for existence; and some acquaintance with some of the languages used by our friends of other countries. The Congress might also be impressed by the useful technical skills taught in many of our school systems.

Suppose, further, that the Congress should decide to promote the national welfare in aid of these educational objectives by making loans for, say, 50 years, at not more than 2¾ percent interest, to such of our public and private nonprofit schools alike as attain reasonable standards. Would these loans violate the Constitution of the United States if a large number of the private schools to be aided should be church schools, including in their curricula not only such standard lay learning as I have described, but also instruction in the doctrines of a religious faith?

The principal constitutional clauses which bear on this question are article I, section 8, clause 1, which provides that—

“The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States; \* \* \*

and clause 18 of the same section—

“To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof.”

This general grant of power is to some extent limited by various other clauses. The one here relevant is in the first part of the first amendment:

“Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; \* \* \*

This portion of the first amendment contains two quite different provisions. The last six words eliminate from possible congressional power any law “prohibiting the free exercise” of any religion. Such a restriction is not relevant to this letter. I hear of no proposal for compulsory participation in religious exercises, nor for compulsory abstention from, or penalty for, religious exercises. Such a measure would raise considerations quite different from those discussed in this letter. The only question you put to me, as I understand it, is whether the Congress is devoid of constitutional power to make such long-term loans as I have described because they would be provided in a statute which should be considered a “law respecting an establishment of religion \* \* \*.”

Relevant to this study are several possible sources of information. One of these concerns the frame of mind of the Senators and Congressmen who proposed the first amendment, and that of the State legislators who ratified it. This is a difficult inquiry; the men involved were very numerous; the records of their motivation are not complete; different men may well have been prompted by different ideas; and one who engages in this research may begin to doubt whether the Congress in 1961 should have its powers delimited by an uncertain guess at the frame of mind of men who lived 170 years ago.

Another source of guidance as to the meaning of the establishment clause is study of the decisions handed down by the Supreme Court of the United States. Under our system that Court has the last word in constitutional construction, but judgments on "establishment" are hard to find. Justices of the Supreme Court, in the course of opinions, have on various occasions expressed ideas having a general connection with "establishment"; but American lawyers traditionally draw a rather sharp distinction between those things which a court actually decides, and those expressions made by the way, obiter dicta, off the immediate issue, not directly involved in the adjudication. Thus the *Everson* case (330 U.S. 1 (1947)) which arose under the 14th amendment, presented an issue described by Mr. Justice Black in the Court's opinion as follows (the case involves schoolbus fares):

"The only contention here is that the State statute and the resolution, insofar as they authorized reimbursement to parents of children attending parochial schools, violate the Federal Constitution in these two respects, which to some extent overlap. First. They authorize the State to take by taxation the private property of some and bestow it upon others, to be used for their own private purposes. This, it is alleged, violates the due process clause of the 14th amendment. Second. The statute and the resolution forced inhabitants to pay taxes to help support and maintain schools which are dedicated to, and which regularly teach, the Catholic faith. This is alleged to be a use of State power to support church schools contrary to the prohibition of the 1st amendment which the 14th amendment made applicable to the States."

The majority of the Court found no constitutional obstacles preventing this reimbursement for bus transportation. But in his opinion Mr. Justice Black also wrote:

"The 'establishment of religion' clause of the first amendment means at least this: Neither a State nor the Federal Government can set up a church. Neither can pass laws which aid one religion, aid all religions, or prefer one religion over another. Neither can force nor influence a person to go to or to remain away from church against his will or force him to profess a belief or disbelief in any religion. No person can be punished for entertaining or professing religious beliefs or disbeliefs, for church attendance or nonattendance. No tax in any amount, large or small, can be levied to support any religious activities or institutions, whatever they may be called, or whatever form they may adopt to teach or practice religion. Neither a State nor the Federal Government can, openly or secretly, participate in the affairs of any religious organizations or groups and vice versa. In the words of Jefferson, the clause against establishment of religion by law was intended to erect 'a wall of separation between church and state'."

While all lawyers properly pay respect to such dicta, still statements of this sort, not directly relevant to the decision of the Court, do not carry the weight, as precedent, of an actual adjudication.

A third source of guidance can be found in the decisions of the Congress and the President of the United States appearing in the enactment and approval of legislation. Members of the Congress and the President are of course bound by oath to support the Constitution, and they conscientiously carry this out. Hence their judgment, expressed in the enactment or approval of legislation, properly has weight as precedent, particularly where, as in the field we are discussing, there is very little judicial decisional matter directly relevant. I shall in this letter briefly discuss these three sources of constitutional material—the opinions of the sponsors of the first amendment; judicial opinions; and legislative enactment and presidential approval as an indication of constitutionality.

The subjective intention of the congressional draftsmen of the first amendment, and of the State legislators who ratified it are not clear. In 1789 when the Congress proposed the Bill of Rights, favored religions were supported by taxation and other measures in a number of States. Massachusetts continued such tax support until 1833. The Members of Congress who proposed the first amendment had before them as an example of establishment the "Established

Church" in England; they knew or could have known of controversies over tax support for churches in various States. Part of the motivation for the first 10 amendments, which took effect in 1791, was a desire to protect "States rights"—as appears from the terms of the 10th amendment. Some who favored the first amendment may have thus desired to protect their existing State-support for a favored church from Federal interference by a "law respecting an establishment of religion." Others may have felt an opposition to any and all governmental intervention in religion. But the earliest Congresses provided for chaplains in the U.S. Army (see act of Mar. 5, 1792, vol. I, Stat. at L. 241); the earliest legislators must have recognized that no completely tight wall was possible between church and state. The words of the first amendment are not explicit on federally supported schools. It would be difficult, and probably not useful, to guess at whether the people who 170 years ago proposed and ratified the establishment clause would have thought it forbade the supposititious school-loan bill I have described.

Adjudications of the Supreme Court on Federal legislation challenged under the establishment clause are hard to find. (I here do not refer to such obiter dicta as I mention earlier in this letter, but to adjudications on the merits.) Perhaps the small number of such adjudications can, in part, be explained by the doctrine in the Federal courts that a Federal taxpayer, not otherwise affected by an act of Congress has no standing in court to argue that the statute is unconstitutional. Thus in 1928 the U.S. Court of Appeals in the District of Columbia held that a taxpayer had no standing to challenge the constitutionality of the payment of salaries to the Chaplain of the Senate, of the House of Representatives, the Army, or the Navy on the ground that this payment constituted a religious establishment violating the first amendment (*Elliott v. White*, 23 F.2d 997).

There are a few cases which approach the problem of this letter, though none is precisely in point. In 1899, a man named Bradfield sued the Treasurer of the United States to enjoin the payment of moneys to a hospital in the District of Columbia on the ground that, as the hospital was under the control of a Roman Catholic religious order, the payment would constitute an "establishment of religion." Passing over the question of the taxpayer's standing to bring the action, the Supreme Court, through Mr. Justice Peckham, unanimously held that the hospital was a secular corporation, and although its individual members might all be members of a religious order of the Roman Catholic Church, this would not characterize the hospital as a religious or sectarian body. The Court therefore affirmed the judgment of the lower court dismissing the bill (*Bradfield v. Roberts*, 175 U.S. 291 (1899)). In 1908 the Supreme Court decided *Quick Bear v. Leupp*, 210 U.S. 50. By treaty with the Sioux the United States in 1868 had agreed to furnish a teacher and schoolhouse for every 30 Sioux children "who can be induced or compelled to attend." To carry out this provision the Congress appropriated funds, and in 1896 Francis E. Leupp, Commissioner of Indian Affairs, proposed to make a contract with the Bureau of Catholic Indian Missions, a Roman Catholic organization, by which the United States would pay funds to that Bureau in order to maintain and educate Sioux Indian pupils at the St. Francis Mission Boarding School on the Rosebud Reservation in South Dakota. Quick Bear, a member of the Sioux Tribe of the Rosebud agency, brought an action in the Federal courts to enjoin Commissioner Leupp from carrying out the arrangement. The Supreme Court, dismissing the action, said of the constitutional question—

"Some reference is made to the Constitution, in respect to this contract with the Bureau of Catholic Indian Missions. It is not contended that it is unconstitutional, and it could not be."

In support of this statement, the Court cited *Bradfield v. Roberts*, the District of Columbia hospital matter which I described above.

There are a few cases discussing the constitutionality of "establishment" by a State, after the enactment of the 14th amendment in 1868. I have already mentioned the *Everson* case (330 U.S. 1 (1947)), which upheld New Jersey payments for bus transportation of parochial pupils equally with others. In Mr. Justice Black's opinion in that case sustaining the constitutionality of the payment the Court stressed its concern for the safety of schoolchildren on the highways. The case could be thought of as upholding the New Jersey statute authorizing the payments, on the ground that the State legislature primarily considered the benefit to the children, not the benefit to the parochial school which was only incidental to the other primary objective. Another case in-



involved provision by the State of Louisiana of lay textbooks for children in parochial as well as public schools. This was *Cochran v. Louisiana Board of Education*, 281 U.S. 370 (1930). Citizens and taxpayers in Louisiana brought suit in the State courts in an effort to enjoin Louisiana officials from paying out State moneys for this purpose. The plaintiffs argued that this violated the 14th amendment in that private property was taken by the State and used for private purposes, that it was so taken "to aid private, religious, sectarian, and other schools not embraced in the public educational system of the State by furnishing textbooks free to the children attending such private schools." The Supreme Court upheld the State statute providing for the textbooks. Pointing out that among the books none was adapted to religious instruction, the Court held that the taxing power of the State was exerted for a public purpose. "The legislation does not segregate private schools or their pupils as its beneficiaries or attempt to interfere with any matters of exclusively private concern. Its interest is education broadly; its method, comprehensive. Individual interests are aided only as the common interest is safeguarded."

The principle of the New Jersey school bus case was reenforced on February 20, 1961, when the Supreme Court of the United States dismissed the plaintiffs' appeal in *Snyder et al. v. The Town of Newton* for want of a substantial Federal question. See 81 Supreme Court Reporter 692, advance sheet of March 15, 1961. Such a dismissal is a disposition on the merits of the case, and an authoritative precedent. See the separate opinion of Mr. Justice Brennan in *Ohio ex rel. Eaton v. Price*, 360 U.S. 246, 247 (1959). Connecticut taxpayers had sought a declaratory judgment that transportation of parochial school pupils on publicly owned school buses violated the State constitution and the 14th amendment of the Federal Constitution. The Supreme Court of Connecticut found no violation of the 14th amendment, though it found that income of two specific funds could, under State law, be used only for public school purposes. (See 147 Conn. 374, 161 A. 2d 770 (1960)). The per curiam dismissal by the Supreme Court of the United States was not unanimous. Mr. Justice Frankfurter and Mr. Justice Douglas stated that probable jurisdiction should be noted.

Some mention should here be made of the opinions in *Illinois ex rel. McCollum v. Board of Education*, 333 U.S. 203 (1948). Here a parent of a child in the Champaign, Ill., public schools, the parent being also an Illinois taxpayer, succeeded in enjoining a program under which teachers of religion not paid by public funds of any Illinois municipality came into the public schools each week, for 30 or 45 minutes depending on the grade, to give religious instruction on the school premises to children of their respective faiths. Children not desiring to participate were allowed during that period to go to other places in the school building to pursue secular studies. Mr. Justice Jackson, writing a special concurring opinion in the *McCollum* case, pointed out that here, unlike the *Everson* case, there was no showing of any resulting measurable burden upon the complaining taxpayer. He points out that perhaps the religious classes might be said to add some wear and tear on the public buildings and they should be charged with some expense for heat and light, but he adds that the cost was neither substantial nor measurable and "no one seriously can say that the complainant's tax bill has been proved to be increased because of this plan." To sustain the jurisdiction of the Court in the *McCollum* case, recourse might be had to the personal embarrassment imposed upon the child for whom the parent spoke. The boy was obliged to dissent from his classmates, to claim exemption from religious instruction, in their presence, to embarrass himself by being different. The *McCollum* case therefore can be thought of as presenting a case of individual hardship imposed on a schoolchild, on religious grounds, which is quite a different thing from a religious objection put forward when no one is individually harmed. That *McCollum* may have to be sustained as a case of individual hardship appears from the later judgment in *Doremus v. Board of Education*, 342 U.S. 429 (1952), in which the Supreme Court refused to pass on the constitutionality of a New Jersey statute providing for reading of Bible verses in public schools on the ground that the facts presented no "case or controversy," essential to jurisdiction of a Federal court. The only standing of the plaintiff was that of a taxpayer, he had no child in school when the case reached the Supreme Court; and there was no demonstration of any State expenditure. The decision in *Doremus* appears to take away whatever force *McCollum* might seem to have as a judgment concerning a State "establishment of religion," except as the Illinois arrangement may have caused individual hardship.



One ends with the conclusion that the Supreme Court of the United States has never held that a loan such as that in the statute which I outline above, would be in excess of congressional powers because of the first amendment. Insofar as actual adjudication on State statutes is concerned, the *Everson* and *Cochran* cases indicate the contrary. It may be significant that in those cases the aim of the legislation was not religious indoctrination but the safety and the law educational advancement of the schoolchild—the aim which I assume the Congress would have if it were to provide for such loans.

Congressional and executive action furnishes more precedents concerning Federal aid which includes religious schools than can be found in judicial determinations. An unsuccessful proposal for a constitutional amendment is somewhat enlightening. The Blaine amendment, passed by the House of Representatives in August 1886 by a vote of 180–7, proposed, among other things, to make a constitutional directive that—

“no public property, and no public revenue of, nor any loan of credit by or under the authority of the United States, or any State, Territory, District, or municipal corporation, shall be appropriated to, or made or used for, the support of any school, educational or other institution, under the control of any religious or antireligious sect, organization, or denomination, or wherein the particular creed or tenets of any religious or antireligious, organization or denomination shall be taught. \* \* \*”

The amendment failed to gain the necessary two-thirds vote in the Senate however. But the offer of this Blaine amendment could be thought significant because its congressional sponsors evidently thought the first amendment insufficient clearly to inhibit appropriation, by the U.S. Congress, of funds for the purposes supposed earlier in this letter. The Blaine amendment is set forth in footnote No. 6 in the opinion of Mr. Justice Black in the *McCullum* case, 333 U.S. 203 at page 219.

A number of Federal statutes make grants of Federal funds in aid of some educational end, and include among the proposed recipients of distribution, non-profit private institutions which may be under sectarian control. Instances are more numerous above the high school level than at or below it. Grade school children get the benefit of funds distributed under the National School Lunch Act, June 4, 1946, 42 U.S.C. 1760. Under this legislation (see 42 U.S.C., sec. 1753) if the State is barred by its laws from distributing funds to nonprofit private schools of any category the United States may distribute funds directly to such nonprofit private schools.

The National Defense Education Act of 1958 provides for loans of Federal funds to elementary and secondary schools including private schools of a non-profit character, for the purpose of equipping these schools with scientific and modern language instructional equipment. Congressional committee reports on this legislation (see United States Code Congressional and Administrative News, 1958, p. 4731 ff.) show the purpose of the Congress to increase the excellence of education in subjects thought necessary in our defense and foreign relations efforts.

Title IV of the Housing Act of 1950, 12 U.S.C. section 1749 and following, provides for loans of Federal money for a period up to 50 years, at a rate of interest of 2¾ percent or less, to provide “housing and other educational facilities for students and faculties \* \* \*” at any public or nonprofit private educational institution, if it offers at least a 2-year program leading toward a baccalaureate degree. These loans, thus by the terms of the statute, go to institutions above the high school level, but the distinction in principle between a junior college and a senior high school is not entirely clear.

The United States is authorized by legislation (see 42 U.S.C. 2051) to make grants for reactors to “\* \* \* institutions or persons \* \* \*.” The United States provides scholarship funds to various classes of deserving students; these funds in due time come to the institutions which the students attend. The GI bill of rights is a familiar example. Also familiar, so much so that it goes almost unnoticed, is the Federal provision of Reserve officer training programs leading to Army, to Air Force, and to Navy commissions. (See 10 U.S.C. 4382 ff.) Many of these programs are in effect at colleges and universities under the control of religious orders.

Certain common characteristics are observable in all this legislation. In the first place it does not make grants or loans to churches, religious missions, etc. The benefits go either to students, or to institutions training students; the benefits go to public and private institutions alike; they go to private institutions re-

ardless of their religious or nonreligious affiliation. The religious affiliation of a school or college receiving a loan, or of a school or college to which students resort under scholarships, is therefore incidental and is not singled out by the Federal legislation. In the second place, there is in each of these pieces of legislation an observable end other than the cultivation of religion. Federal funds go to strengthen the Armed Forces, to build up our national scientific or linguistic capabilities or, as in the grants under the Housing Act of 1950, to build up our educational system generally.

The comment might be made that in none of these instances is there a Federal loan or grant of money to an institution to be spent however the institution sees fit, or to be spent as the institution sees fit except for religious instruction. This fact is notable; but perhaps the distinction between existing Federal provisions and an across-the-board benefit is more apparent than practical. Suppose, for example, a junior college with limited funds, needing essential faculty housing and student dormitories. A 50-year Federal loan for such prescribed building under the Housing Act of 1950 would release the college's funds for other purposes: some of the college's general funds which otherwise would necessarily be used for student housing might then be available for religious instruction. An elementary or secondary school needing science and language equipment, but with a limited budget, has funds released for general educational purposes when the United States provides funds for scientific and linguistic purposes.

It seems to me that a congressional loan such as that outlined earlier in this letter, to raise the standard of instruction in basic lay educational subjects might well in its terms exclude the direct expenditure of its funds for religious or sectarian purposes. But the indirect effect on a sectarian school would however be to release for general purposes some funds perhaps otherwise used for lay instruction. This possibility has not in the past inhibited the Congresses which passed such legislation as I have mentioned or the Presidents who approved it. No governing distinction is apparent to me between these legislative precedents and the hypothetical measure which I described at the beginning of this letter.

During the mid-1930's, many writers sharply criticized the American doctrine of judicial review of the constitutionality of social and economic legislation enacted by the Congress. None of that criticism was directed against unconstitutionality on "establishment" grounds. Indeed I know of no case in which the Supreme Court ever has held any act of Congress invalid as a "law respecting an establishment of religion." But the Supreme Court for a number of years up to 1935 and 1936 did hold unconstitutional some Federal legislation on the ground that it exceeded the powers entrusted to the Congress by the Constitution, that, according of the then comparatively more limited view of congressional power over interstate commerce granted by article I, section 8, clause 3, it was ultra vires the National Government. Examples are *United States v. Butler* (296 U.S. 1 (1936)) and *Carter v. Carter Coal Co.* (298 U.S. 238 (1936)), holding unconstitutional the Agricultural Adjustment Act of 1933 and the Bituminous Coal Conservation Act of 1935.

Since 1936 the Supreme Court has held no Federal statute unconstitutional except where it imposed what the Court found to be an unreasonable hardship or injustice on some individual. The cases invalidate laws—

(a) Creating a presumption that, where an ex-convict is in possession of a firearm, he received, shipped or transported it in interstate commerce. *Tot v. United States* (319 U.S. 563 (1943)).

(b) Prohibiting payment of any salary to three named persons, save for jury duty or military service. *United States v. Lovett* (328 U.S. 303 (1946)).

(c) Penalizing, in self-contradictory terms one who refuses to allow a Federal officer to inspect a food factory. *United States v. Cardiff* (344 U.S. 174 (1952)).

(d) Providing for separate schools for Negro and white children in the District of Columbia. *Bolling v. Sharpe* (347 U.S. 497 (1954)).

(e) Subjecting a former serviceman to trial by court-martial, after his discharge, for offenses committed while in service, *United States ex rel. Toth v. Quarles* (350 U.S. 11 (1955)).

(f) Providing for trial by court-martial of dependents of servicemen, stationed overseas, for capital crimes. *Reid v. Covert*; *Kinsella v. Kreuger* (354 U.S. 1 (1957)). In 1960 the Supreme Court extended this holding to include dependents charged with noncapital crimes, *Kinsella v. United States ex rel. Singleton* (361 U.S. 234 (1960)); and civilian employees charged

with capital or noncapital offenses, *Grisham v. Hagan* (361 U.S. 278 (1960)), *McElroy v. United States ex rel. Guagliardo*; *Wilson v. Bohlender* (361 U.S. 281 (1960)).

(g) Depriving of U.S. nationality one convicted by court-martial of war-time desertion, and dismissed or dishonorably discharged from the Armed Forces. *Trop v. Dulles* (356 U.S. 86 (1958)).

As the school-aid legislation I here discuss would not impair any person's free exercise of religion, it would have to be judged as a question of "ultra vires." The absence of any ultra vires holding on Federal legislation by the Supreme Court since 1936 increases my feeling that if in some way such a school-aid statute could be brought before that court, it would be upheld.

The New York Times of March 29, which reached me just before the typing of this letter was completed, carries an abridged version of the memorandum on the same subject prepared in the Department of Health, Education, and Welfare. I have read the abridgment of this document with the great respect which it deserves. I have been trying to analyze the reasons for its conclusion that the long-term loans in question would be beyond the constitutional powers of the Congress, whereas I am not convinced of this. In the first place, the departmental memorandum stating, for one example, "\* \* \* the Supreme Court has spoken \* \* \*" (New York Times, March 29, 1961, p. 22, col. 5) relies, more than I am accustomed to rely, on certain sweeping obiter dicta of the Justices in the *Everson School-Bus* case. The actual decisions of the Court seem to me inconsistent with what is there said, to a degree which makes me doubt the literal absolutes of those dicta. Secondly, the departmental memorandum relies, for constitutional justification of past legislation, on legislative purpose which I cannot distinguish from the legislative purpose of the long-term loans here under discussion. The Nation needs the young scientists and linguists for whose benefit the Congress has already aided private nonprofit elementary and secondary schools: this national need, the departmental brief states, renders that aid constitutional, despite its effect, in parochial schools, in freeing other funds. I cannot see the distinction in principle between the motivation for this aid, and that for aid to schools to help them teach English or government or history or geography. The country needs pupils trained in all these; aid for any of these would release funds which could give incidental aid to religious indoctrination. Logically the Department memorandum would, it seems to me, have to call the whole list unconstitutional. Finally I think the departmental brief tends to rely on constitutional barriers which would disable the Congress to act, in a situation in which I should incline more to rely on the discretion of the National Legislature. Our problem is "establishment." Certainly the "establishment" clause of the first amendment discloses a national policy against control of Government by religious organizations and against governmental control of religious observances; but as follows from the departmental brief itself, a considerable discretion rests in the Congress to adopt measures for ends other than religious, even where the legislation will as an incident aid an organized religion. Similarly the 10th amendment and article I, section 8, clause 3 disclose a national policy against omniscient Federal control of the economy; but the effect of these clauses as limitations on congressional exercise of the commerce power has, since 1936, been regarded as depending more on their appeal to congressional wisdom than on their cutting off congressional power. A Congress might read the first amendment and conclude that further legislation would be unwise where it would indirectly aid church schools along with others. But congressional judgment of unwisdom is quite different from congressional disability to legislate.

This letter is long, but the subject is complicated and cannot usefully be discussed in a few sentences. The effect of the relevant constitutional provisions is not obvious; it depends, as do many great constitutional issues, on matters of degree and emphasis. I find it difficult to see a clear distinction in constitutional principle between much of the existing Federal aid to education, and aid of the type concerning which you ask me. The State and Federal constitutional provisions are not alike in terms; but the Supreme Court judgment upholding provision of textbooks for both parochial and public school children in *Cochran v. Louisiana* seems to me in principle to support the provisions for loans which you describe. I hesitate to assume that the Supreme Court was wrong in *Cochran*; and that Congresses and Presidents have acted in excess of their constitutional powers when providing the Federal benefits I have discussed. If

the Supreme Court, the Congress, and the Executive have been correct in these decisions, I see no constitutional reason why long-term loans for construction would exceed the powers of the Congress.

Sincerely yours,

ARTHUR E. SUTHERLAND.

THE UNIVERSITY OF CHICAGO,  
THE LAW SCHOOL.  
Chicago, Ill., March 29, 1961.

Hon. WAYNE MORSE,  
U.S. Senate, Washington, D.C.

DEAR SENATOR MORSE: You have asked my opinion as to the constitutionality of a measure which would provide loans for construction purposes to private and parochial schools at both the primary and secondary school levels. My interest in this problem has related primarily to the first amendment's prohibition of laws "respecting an establishment of religion or prohibiting the free exercise thereof \* \* \*." In my opinion inclusion of parochial schools with other private schools in the measure you propose would not violate this provision. I believe that the Constitution leaves Congress free to pattern its aid to education in a way which protects the freedom of choice of students and parents as to the schools in which Federal benefits may be enjoyed. This principle is supported by the decision in *Everson v. Board of Education* (330 U.S. 1 (1947)), with which your subcommittee is familiar.

Congress has previously shown concern for freedom in the choice of schools. This principle was embodied in the GI bill for veterans educational benefits and, at the precollege level, in the law governing educational cost for congressional and Supreme Court pages. The following provision is in section 88a of title 2 of the United States Code:

(c) \* \* \* said page or pages may elect to attend a private or parochial school of their own choice: *Provided, however,* That such private or parochial school shall be reimbursed by the Senate and House of Representatives only in the same amount as would be paid if the page or pages were attending a public school under the provisions of subsections (a) and (b) of this section.

You have asked my opinion also as to the constitutionality of S. 1021. In my opinion the fact that this bill contains no provision for private or parochial schools does not render it unconstitutional as a law "restraining the free exercise" of religion. In legislation indirectly affecting freedom of educational choice, Congress has a wide area of discretion in which its action would be neither a "establishment of religion" on the one hand, or a restraint of its "free exercise" on the other.

I am sorry that I have not been able to take time to develop these opinions more fully for presentation to your subcommittee.

Sincerely yours,

WILBER G. KATZ,  
Professor of Law.

Senator MORSE. Senator Goldwater?

Senator GOLDWATER. Thank you, Father, for being here and testifying.

I was interested, Father, in something that I think you wrote, if you are the Father O'Brien I think you are, for the Georgetown University Alumnae Magazine in November, 1959, an article, "Alms and the Man."

Father O'BRIEN. Yes, I wrote that.

Senator GOLDWATER. I was wondering if you still held to the opinion that you then expressed that:

(1) Federal handouts will not produce the educated man, and then you go on to say there is another dimension to the current problem of educational needs and the solvent proposed by him.

First, on the general question of Federal aid, people should realize that financial assistance from a central government is also supplied with their money and not given by some magnanimous donor from outer space with his own cornucopia of independent wealth.

Moreover, dollars invariably lose weight on their round trip to Washington where the political brokerage of the bureaucrats is deducted.

Many Congressmen forget these basic facts of life, when following their generous impulse to give you the shirt off their own back.

Do you agree with those remarks today?

Father O'BRIEN. Yes; I still agree with them.

However, I think that in particular areas where aid is needed and when the resources of those areas are not capable of supplying the aid, I would be very much in favor of having the Federal Government come to the assistance, if we can isolate those areas, those States.

Senator GOLDWATER. If that aid is needed in those States and the aid is needed in more than one area of education—namely, public schools, parochial schools, private schools—the tax money coming from the people should not be denied a return to the people where the need is felt. Do you agree with that?

Father O'BRIEN. I think that I would agree with that.

Senator GOLDWATER. Thank you very much, Father.

Senator MORSE. Thank you very much, Father.

I am very sorry we kept you waiting all day.

Father O'BRIEN. That is perfectly all right, Senator.

Senator MORSE. Thank you very much.

Father O'BRIEN. Thank you, Mr. Chairman.

Senator MORSE. Senator Goldwater, I would appreciate it very much if you will preside at the hearing long enough to hear one witness.

Senator GOLDWATER. I will be very happy to.

Senator MORSE. I must leave for the White House in my capacity as Chairman of the Subcommittee on Latin America for the President's Conference on Latin American Problems. In order to make it in time, I must go now.

I would like to have the staff get in touch with the Senators who seek to testify tomorrow morning to tell them that the chairman of the subcommittee would appreciate it very, very much if they would be willing to postpone their testimony until tomorrow afternoon. I feel that I am under bond to Mr. Rose, Mr. Dailard, and his associates present today at this hearing, and to Miss Borchardt and her associates who are also at this hearing, who were scheduled to testify today. We will hear them starting at the very beginning of the hearing tomorrow morning.

To each one of you I offer to you my sincere regrets that I could not call you today, but I think you are well aware of the problems which confront any chairman, and I have done my best to keep on schedule.

The reasons are obvious to us as to why I was not able to do it.

But if we can get the Senators to agree to postpone their testimony until a later hour, we can proceed to hear those witnesses who are from out of the city starting at 9:30 tomorrow morning.

Mr. Shore, I am advised, has to leave tonight, and I would appreciate it very much if you would hear him, Senator Goldwater. And I want to say to Mr. Shore that he has my apologies for not being able to wait and hear him.

Senator GOLDWATER (presiding pro tempore). Mr. Shore, we are glad to have you with us today.

Will you proceed any way you care to.

If you want to submit your statement for the record and go on without it, fine, or if you want to read it, we will be glad to have you.

**STATEMENT OF FREDERICK SHORE, ADMINISTRATIVE ASSISTANT,  
EAST MEADOW PUBLIC SCHOOLS, NASSAU COUNTY, LONG ISLAND,  
N.Y.**

Mr. SHORE. May I read it, please?

Senator GOLDWATER. Certainly.

Mr. SHORE. Senator, I am Frederick Shore, administrative assistant to the superintendent of schools of the East Meadow School District, Nassau County, Long Island, N.Y. I am also representing the federally impacted school districts of New York State.

I greatly appreciate this opportunity to present our views to this committee and to urge the extension of the present provisions of Public Law 874, 81st Congress.

There are many of my colleagues here, as you heard, who will be presenting other aspects of this matter tomorrow.

Last year, 161 New York school districts had an aggregate entitlement under Public Law 874 of approximately \$4,800,000. Most of the payments were for the education of 25,242 children who were federally connected by reason of employment of parents on Federal tax-exempt properties—the section 3b children. The entitlement for such purposes was \$3,781,000. New York school districts also provided publicly supported education for 2,809 section 3a children, those with residence and parental employment on Federal tax-exempt property.

The following is a summary of the effect of Public Law 874 provisions in New York State for fiscal 1960.

This summary shows there are 161 districts eligible for Public Law 874 entitlements out of 24 districts in the State that operate schools, including the city of New York. That is about 17 percent.

The Federal impact ADA under section 3 is 28,000-plus, and that represents approximately 1.1 percent of the 2.5 million children in ADA. However, it is interesting to note that almost 900,000 of that ADA is in New York City alone in one school district.

Therefore, it is a shade under 2 percent when we take into account that 1,600,000 are in the so-called upstate districts of our State.

The total entitlement was a little under 4,800,000, and that represented in those districts that are federally affected 2 percent of their current expenses of \$230 million, and that is 17 percent of the total current expenses in the State of \$1,349 million, including almost one-half billion dollars for the city of New York.

Senator GOLDWATER. So that this can be kept in proper order, we will print your table at this point in the remarks.

Mr. SHORE. Thank you, Senator.



(The table referred to follows:)

TABLE 66.—*Summary of effects of Public Law 874, New York State, 1960*

Federally impacted school districts	Total New York State school districts	Percent
161 districts eligible for Public Law 874 entitlements.	924 districts operating schools, including New York City.	17.4
Sec. 3a ADA..... 2,809	Approximate total ADA 2,500,000.....	1.1
Sec. 3b ADA..... 25,242	(Including almost 900,000 ADA for New York City) (about 1,600,000 excluding New York City).	(1.8)
Federal ADA..... 28,051		
Sec. 3a entitlement..... \$752,807		
Sec. 3b entitlement..... 3,780,833		
Total..... 4,533,640		
Add additional net..... 1,256,339		
Total net entitlement..... 4,789,979		
Total current expenses \$230,031,060 (net entitlement represents 2.1 percent of aggregate current expenses in these districts).	Total current expenses approximate \$1,349,000,000. (Including \$446,000,000 for New York City) (about \$903,000,000 excluding New York City).	17.1 (25.5)

<sup>1</sup> Consists of entitlement of \$301,432 for 874 "sec. 4a" pupils, \$2,496 for sec. 2 net entitlement, less deductible funds under sec. 3.

Mr. SHORE. When one looks at these aggregate figures, it is noted that the overall impact is not too large. However, the picture changes when individual districts are examined. In some districts, the federally connected children represent a little more than 3 percent of the total.

In many, the percentage is much more substantial.

In some districts the Public Law 874 payments represent a small tax rate equivalent, while in others the receipt of these moneys prevented a considerable tax rate increase.

My school district, East Meadow, is one of the latter. It is a residential community of 60,000 persons situated on Long Island, adjacent to the Mitchel Airbase and about 12 miles from the New York City line.

East Meadow is one of the rapid-growth districts that appeared on Long Island in the post-World War II period and which faced a tremendous increase during the Korean war with the consequent expansion of Federal defense activities in the 1950's.

We grew from a two-school system educating about 1,000 elementary pupils to the largest district on Long Island and the eighth largest in New York State with a pupil enrollment of over 18,000 in 12 elementary and secondary schools.

For fiscal 1960, East Meadow's entitlement under Public Law 874 was \$186,687, consisting of \$119,591 for attendance of 475 section 3a children and \$67,096 for 533 section 3b youngsters.

Our 3a children resided on 3 Federal housing projects containing 909 dwelling units:

Mitchel Manor, a 628-unit Wherry housing garden apartment project for Armed Forces personnel; Santini housing, consisting of 203 units, including a guesthouse and transient quarters on the Mitchel Airbase; a trailer village with 78 trailer sites on base property.

Their parents were stationed at 17 military installations in the general metropolitan area as well as being on active duty at a number of oversea bases or on board naval vessels.



The 3b youngsters had parents employed on 38 federally owned, tax-exempt properties in New York. In the past 10 years we have noted employment or military assignment on 83 different Federal properties or installations, all tax exempt.

This Public Law 874 entitlement represents a tax-rate equivalent of almost 23 cents per \$100 of assessed valuation and was equivalent to 2.5 percent of our current expenditures of \$7,480,000, for the last school year.

Our tax rate is presently 4.07 per \$100 for school purposes alone on an assessed valuation of \$82.3 million. Last year, real property was determined to be assessed at 38 percent of true value in our town.

As previously indicated, the major portion of Federal payment was for the attendance of residents on Federal tax-exempt property in our district. Thus, the United States made direct payments for the education of these children which were, in effect, payments in lieu of taxes.

The remaining moneys were for the education of children who were federally connected by reasons of parental employment. These payments recognized the Federal responsibility involved in the education of children whose parents are employed on Federal tax-exempt property.

While it is true that in the latter case property taxes are derived from the residences of these families, the valuation per child is insufficient to meet their proper share of educational costs. Thus there must be an increase in the local tax rate to produce more dollars on a shrinking base. Furthermore, as additional siblings in these residences reach school age, no additional taxable valuation can be anticipated which leads to a further tax rate increase.

What has occurred in our school district and many others is that we are "bedroom communities" for large numbers of federally connected personnel.

The Federal Government has "affected" or impacted these school districts and should continue to bear its share of the financing costs of maintenance and operation of schools when this occurs.

The Congress, for the past decade, has declared it to be the policy of the United States to recognize its responsibility—

\* \* \* to provide financial assistance for those local educational agencies upon which the United States has placed financial burdens by reason of the fact that \* \* \* that such agencies provide education for children residing on Federal property; or such agencies provide education for children whose parents are employed on Federal property; or there has been a sudden and substantial increase in school attendance as the result of Federal activities.

We respectfully urge this committee to continue this policy and to provide the same provisions of law as now exist for these purposes.

We also request that sufficient appropriations be made available to meet the full entitlements of the federally affected school districts.

Without these Federal payments, constantly rising school taxes would have risen even higher and the real estate tax burden on the small homeowner, which is very great now, would have been even heavier.

This is no time to reduce the funds available to these school districts. Proposals for changes in the provisions of Public Law 874 payments for section 3b children would result in a decrease of about

\$2 million for New York State school districts. East Meadow's loss would be about \$35,000; something we cannot afford to lose.

Neither is this a time to make eligibility requirements more stringent. For many years now, the determination of eligibility has provided for an equitable level of initial eligibility.

Congress has also given recognition to the problems brought about by changes in the impact problem and has provided for a taper in the payments when changes took place and eligibility could no longer be established at the 3-percent level. Proposed changes would eliminate a great many districts from eligibility. Yet, the children are still federally connected and they are still in school.

Your support and favorable action is sought in order that we may continue to provide the proper educational program which our children need and deserve, and without having our local property taxpayers assume the additional costs which are a Federal responsibility. Thank you, sir.

Senator GOLDWATER. Thank you very much, Mr. Shore, and I want to add my apologies to those of the chairman for having kept you here so long.

Mr. SHORE. That is all right.

Senator GOLDWATER. But you find, when Senators testify, they utilize the privilege of speech just as they do on the floor.

Mr. SHORE. I appreciate this a great deal.

Senator GOLDWATER. Thank you for coming down.

I think we have some others here, and I can stay until 5 o'clock, if anybody would like to testify today, and that will negate the necessity for coming back tomorrow.

Are there any other witnesses?

Is Dr. Claude J. Bartlett here? Mr. E. L. Lambert? Dr. W. W. Hill? Miss Germaine Krettek?

It looks like we do not have any other witnesses for today, so we will stand in recess until 9:30 tomorrow morning.

(The material referred to on p. 682 follows:)

#### STATEMENT OF FEDERAL IMPACT AND BURDEN, HARDIN COUNTY BOARD OF EDUCATION, ELIZABETHTOWN, KY.

The Hardin County schools, Elizabethtown, Ky., are located within from 9 to 25 miles from the Fort Knox Military Reservation.

Since the beginning of World War II, children of both military and civilian personnel from Fort Knox have placed a burden on the schools of Hardin County.

We are grateful to Public Laws 874 and 815 for assistance received in the past; though not adequate to finance the federally connected children, it has been of great help. Unless such help is continued and substantially increased, we face even greater burdens.

There are in our schools, 1960-61, a total of 6,103 pupils enrolled and of this number 2,246 are federally connected section b pupils. This means that better than one-third of our children are Fort Knox connected.

According to figures released by the State department of education for the school year 1959-60, Hardin County spent \$182.07 per child in ADA for current expenditures. Hardin County ranked 154th out of 211 districts. When only county districts are considered, then Hardin County in 120 counties ranked 93d in the amount per pupil.

If we consider in this calculation what discontinuing or decreasing the amount received under Public Law 874, Hardin County would then be poorer than any county in the State except three.

We hasten to point out in this connection that the maximum property tax of \$1.50 under the law is levied against franchise and property for school purposes. We also hasten to add that we have an outstanding indebtedness of \$1,153,870 incurred in providing classrooms. This indebtedness is near the legal limit according to State regulation and assessed valuation.

In the school year 1959-60, we used scarcely any substandard classrooms; this year we have again resorted to totally unfit rooms; next year we shall have an even greater problem in providing safe and adequate classrooms.

The ADA at the close of the second month of school this year, 1960-61, was 300 more than at the close of the school year 1959-60. This increase of 300 meant 10 additional classrooms and 10 additional teachers. Such yearly increases have been typical for the past years. Teachers who in the past had the State recommended number per classroom of 30 pupils will now have 5 to 10 pupils more than the recommended number.

There are in Hardin County 242 members of the instructional staff. In this number there are 74 teachers who are teaching on substandard qualifications or emergency permits; there are 36 more who, though certified, have less than 4 years of college preparation.

Our inability to employ qualified teachers is due, of course, in part to the national teacher shortage; it is, however, we believe due in large part to our inability to pay comparable salaries to those paid in the Fort Knox dependent schools, the Jefferson County schools, the Louisville City schools, the Nelson County schools, the Bardstown City schools—all adjacent districts.

Since World War II, rent and living expenses in this county have been just as high as in the systems just named, and yet our salaries cannot compare with those paid in adjacent districts. There is from \$1,000 to \$2,500 difference in yearly salaries paid.

Certainly we recognize that until we have a fully qualified teacher in every classroom, we are not giving the best quality of education to the boys and girls of the county. In our total budget this year, there is better than 70 percent of our total budgeted for teachers' salaries; this leaves only 30 percent for transportation, instructional supplies, janitors, insurance, heat, light, water, and administration.

Our transportation system, though improved over the past years, is yet inadequate. All buses are continuing to make two trips morning and evening, and all are carrying the overload allowed by the law. Some children must board the bus as early as 6:30 in the morning after having walked some distance to meet the bus. This is, of course, not good; it is frowned on by the State department of education and is a matter of grave concern to the parents.

The schools of Hardin County are doing everything possible to utilize all funds in the best interests of the students with the amount of money available. Any curtailment of funds from any source will cause drastic reduction in our school services.

Public Law 874 for section b pupils is a must in our school district. Without funds from this law our schools in Hardin County will suffer immeasurably.

It is our belief that the Federal Government has a definite and unmistakable obligation to give assistance to schools in federally impacted areas.

(Signed) G. C. BURKHEAD,  
*Superintendent, Hardin County Schools.*

MARCH 7, 1961.

HOPKINSVILLE PUBLIC SCHOOLS,  
*Hopkinsville, Ky., March 7, 1961.*

*To Whom It May Concern:*

The Hopkinsville Public Schools have for many years felt the impact of Fort Campbell, Ky., which is located nearby.

We have approximately 15 percent of our students whose parents are employed on the Fort Campbell Military Reservation. We are receiving in excess of \$40,000 a year as Federal assistance to our schools through Public Law 874. The removal of any part of this aid would be a great blow to our school district. Large numbers of these people represent a somewhat shifting population. We urge the continuance of the full financing of Public Law 874.

Our great fear of tying the Federal assistance to impacted areas to a general education aid bill is that there are so many factors that may cause the failure of passage of that type of legislature.

We feel that the continuance of Federal aid under Public Law 874 is a "must."

GLADSTONE KOFFMAN, *Superintendent.*

OKLAHOMA CITY, OKLA., March 7, 1961.

Senator WAYNE MORSE,  
Chairman, Subcommittee of Senate Committee of Education and Welfare, Senate  
Office Building, Washington, D.C.:

Official figures U.S. Office of Education indicate States can better finance education and do not need Federal aid for construction or teachers' salaries. Oklahoma County Republican Women's Club oppose Senate bill 1021. Respectfully request our opposition be recorded in record of hearing.

OKLAHOMA COUNTY REPUBLICAN WOMEN'S CLUB.

SENECA COUNTY SCHOOLS,  
Tiffin, Ohio, March 3, 1961.

Senator WAYNE MORSE,  
Chairman, Subcommittee on Education, Committee on Labor and Public Welfare,  
Washington, D.C.

MY DEAR SENATOR MORSE: I believe that your subcommittee is beginning hearings on a bill for Federal aid to education.

I realize that in order to avoid Federal control of schools, that payment of Federal funds for salaries of teachers and/or construction must be made without too many restrictions. However, in Ohio, we have an unusual situation arising because of the desire of the State department of education to secure an enrollment of 240 in every high school grade 9 through 12.

Ohio law now requires that before a school district may bond more than 6 percent they must secure permission from the State department of education. In granting permission the State department refuses bonding to school districts with a high school below 240. We have over 200 such high schools in Ohio, practically all of them in rural territory.

No doubt the State board of education would establish the same regulation for granting of construction money secured from Federal funds. In effect this would mean that all Federal funds that come into Ohio would be channeled to city and exempted village schools with none for rural schools.

I would like to urge your subcommittee to give consideration of requiring a State plan for distribution of Federal funds. This would offset any unequable program which the State may establish in distributing funds. If there is no guidance to our State board of education, we can be almost sure that construction funds will be limited to cities and villages and such rural school districts which have an enrollment of more than 240 in high school. Just like in Oregon, there are certain rural areas where the number 240 would involve extremely lengthy transportation routes.

Sincerely yours,

SAMUEL E. MARTIN, County Superintendent.

PAXTON COMMUNITY UNIT SCHOOLS No. 2,  
Paxton, Ill., March 3, 1961.

Hon. WAYNE MORSE,  
U.S. Senate,  
Washington, D.C.

DEAR SENATOR: It has been called to my attention that the administration has introduced their general support bill for education with a reduction in the support of Federal aid to impacted areas.

I have been informed that it is the thinking of the administration that there should be a cutback in support for impacted areas when general aid to education becomes available nationwide. I have no objection to this philosophy. I am sure aid to impacted areas, as well as many other kinds of Federal aid, will have to be considered in determining payment under general aid. However, general aid is not here, and I would hate to see aid to impacted areas reduced when the only way it could be replaced would be by increasing our local tax rate.

If aid to 3-B children were reduced by 50 percent, this would cause an increase in our local education tax rate of at least 10 percent. Our rate is going to go up anyway because of increasing costs yearly.

I hope you will give this matter your serious consideration and will not permit Federal aid to impacted areas to be reduced until this general aid they talk about has become an actual reality.

Respectfully yours,

CHAS. C. NEWMAN, *Superintendent of Schools.*

---

U.S. SENATE,  
COMMITTEE ON APPROPRIATIONS,  
March 7, 1961.

HON. LISTER HILL,  
*Chairman, Senate Committee on Labor and Public Welfare,  
New Senate Office Building, Washington, D.C.*

DEAR MR. CHAIRMAN: If it is possible, I would appreciate your making the following telegram a part of the record of hearings on any proposed revision of Public Laws 874 and 815:

LAKESWOOD, COLO.

HON. GORDON ALLOTT,  
*Washington, D.C.:*

The hearings before Senate Education Subcommittee on Tuesday afternoon are of grave concern to this school district. Public Law 874 and 815 are designed to meet the specific purpose of impactation of students on a public school district due to Federal employment until sufficient research indicates that this support is meeting this need to an advantage. There is no real evidence to justify any reduction or change in the present laws. It is of vital concern to this county that is currently hard pressed to provide adequate educational facilities for its children on a high tax base that legislation be continued under 100 percent implementation of Public Laws 815 and 874.

ROBERT H. JOHNSON,  
*Superintendent, Jefferson County Public Schools.*

Sincerely,

GORDON ALLOTT,  
*U.S. Senator.*

---

POTTER TOWNSHIP SCHOOL DISTRICT,  
*Monaca, Pa., March 7, 1961.*

Senator WAYNE MORSE,  
*Senate Office Building,  
Washington, D.C.*

DEAR SIR: AS a certain religious group has announced its intention to seek from Congress Federal funds for its schools, I am writing you to use your influence and vote in Congress to see that Federal funds are not made available to parochial schools.

Since the parochial school exists for the propagation of some particular faith, I feel that to provide them with funds would be in violation of the Constitution. It would compel the taxpayer to support financially some faith which he couldn't conscientiously support. Those who attend parochial schools do so by choice. There are public schools available to them.

Some religious groups, when there are parochial schools available, force parents to send their children to the schools by threatening to withhold the sacraments of the church. Federal funds, even in the form of loans, would enable them to build more schools. And more children would be forced to attend. The result would be two educational systems.

I believe that we should defend the right of any religious group to believe as it does, but at the same time, we should not be made to support it.

As an educator, I am not convinced that Federal funds are needed for education. The spending of money will not cure the ills of public education.

Sincerely,

DANIEL F. CARLING.

OKLAHOMA PUBLIC EXPENDITURE COUNCIL,  
Oklahoma City, Okla., March 9, 1961.

Hon. WAYNE MORSE,  
Senate Labor and Public Welfare Committee, Senate Office Building,  
Washington, D.C.

DEAR SENATOR MORSE: It is my understanding that you are chairman of a subcommittee of the Senate Committee on Labor and Public Welfare which is holding hearings on S. 1021 titled the "School Assistance Act of 1961."

I desire to express my disapproval of this proposed measure and respectfully request that this letter be included in the printed report of your hearings on the bill together with the attached tables.

First, let me assure you, Senator, that as dean of the School of Business Administration at Oklahoma City University, I am well aware of the need for quality education in our public schools.

Second, as president of the Oklahoma Public Expenditures Council, a state wide, citizen taxpayer organization, I want you to know that for many years our members have considered education as the No. 1 problem in our State. In fact, during the past 10 years over \$200,000 of our limited budget has been spent on efforts to improve educational opportunities for all Oklahoma children.

Over these years, the council's program for better schools, based upon its research and reports, has emphasized the need for developing in Oklahoma a school system which will meet three essential conditions:

1. Provide all Oklahoma children with the educational opportunities to which they are entitled;
2. Pay competent classroom teachers salaries commensurate with their ability and responsibility; and
3. Assure taxpayers that their money is being spent effectively and economically in our educational programs.

Frankly, we are not satisfied with our present situation or with the progress which has been made to improve it. Our problem in Oklahoma, and I suspect this is true in many States, is one which cannot be solved by "just a little more money." We have tried that approach for the past 10 years without success.

Our problem is one of district organization as proven by the following excerpts from educational reports and school surveys:

1. 1935: "The first step in improving the public school system is to correct its form of organization. If the school organization were such that the entire school population might obtain the most from it, Oklahoma could have an efficient school system even with the present expenditure, but so long as it is manaeled with an extravagant and inefficient form of organization there is no hope of securing anything approaching equality of opportunity regardless of the amount of money the taxpayers may put into the school system."--Report of the Brookings Institution, "Organization and Administration of Oklahoma."

2. 1937: "Taxpayers should not be expected to continue to support expensive and inefficient school units. Any plan for the improvement of the program for financial support of the schools should encourage formation of administrative units large enough to permit economical administration."--"Study of Local School Units in Oklahoma," sponsored by the Oklahoma State Department of Education.

3. 1946: "The committee is convinced that the people of Oklahoma want the best possible school system and are willing to pay for it. We also believe the people are first entitled to have their schools reorganized on the most effective . . . and economical basis."--Report of the joint legislative taxation committee.

4. 1946: "The treatment which has the best chance to cure our public school financing ills is a major operation. It is an operation which should not bear the risk of postponement. The declared policy of the people of Oklahoma to provide adequate support for schools should be matched by the declared purpose of educators to improve the administrative efficiency of our school system."--Dean Raymond D. Thomas, Oklahoma A. & M. College.

5. 1950: "A large number of the small high schools in Oklahoma will never be able, without excessive cost, to offer anything but a minimum program. To include the subject offerings and pupil services needed by youth will require a faculty of from three to five times as large as can be employed with the budget available to a small high school of fewer than 200 to 300 pupils."—Biennial report of Dr. Oliver Hodge, State superintendent of public instruction.

6. 1950: "The fortuitous process by which districts are reorganized is not producing anything like adequate units. \* \* \* The small, antiquated, extravagant, incompetent, and educationally impotent school district still stands as a roadblock to progress."—Prof. D. Ross Pugmire, of the University of Oklahoma, in "Oklahoma's Children and Their Schools," prepared for the Oklahoma Education Association.

7. 1958: "We should recognize that we are going to have to meet the question of school district reorganization and we had just as well meet it head on. And we need a plan that will serve our needs for many years rather than one that is piecemeal."—Dr. Oliver Hodge, State superintendent of public instruction.

Despite these indictments and recommendations, 130 of Oklahoma's 573 high school districts in operation this year have less than 54 pupils in average daily attendance. The per pupil cost in some of these schools, which are cheating Oklahoma children, is in excess of \$1,000 per year. At the present time more than 70 percent of Oklahoma high schools are not providing an educational program of sufficient quality to warrant accreditation by the North Central Association of Colleges & Secondary Schools.

In the case of these proven facts, every realistic reorganization plan by which this situation could be corrected has been vigorously opposed by the Oklahoma Education Association, which is now pressuring your committee and Congress for Federal aid.

The money which Oklahoma would receive from the Federal aid bill which you are now considering would serve to perpetuate rather than correct this tragic situation.

Further, the people of Oklahoma, although we rank 35th among the States in per capita personal income, are both able and willing to finance a completely satisfactory educational program without any help from the Federal Government.

As proof, we submit two tables from the official records of the finance division of the State department of education. You will note from these tables that from 1951 to 1960—

- (1) Total school revenues increased from \$91,960,461 to \$176,785,501.
- (2) General or operating fund expenditures increased from \$78,834,478 to \$144,845,479.
- (3) Per pupil cost increased from \$192.66 to \$298.26.
- (4) The percentage increase in general fund expenditures was more than four times the percentage increase in average daily attendance.
- (5) Average teacher salaries increased from \$2,807.76 to \$4,791.86.

During this same 10-year period, the people of Oklahoma voted \$155,693,164 in school construction bonds. Of this total, \$12,341,720 was voted from 1955 through 1960, more than twice the amount of our alleged financial ability for the same period as reported in the discredited "1955 School Facilities Survey" by the U.S. Office of Education. At the present time, Oklahoma still has a school bond capacity of over \$100 million and its citizens are continuing to vote new bonds each month.

In far too many instances from 50 to 75 percent of the floor space in the new school plants financed by these bonds has been devoted to gymnasiums and auditoriums rather than classrooms and science laboratories.

We do not need and we do not want Federal aid and Federal control of our schools in Oklahoma, but if Congress in its wisdom decides otherwise, then I beg of you, Senator, to insist on financing any Federal aid program by raising taxes, rather than by adding the cost to our already unmanageable Federal debt.

I have two sons, Willis, age 8, and Chatham, age 3. I want them to have a good education, but I don't want to leave them a bankrupt Nation.

Respectfully yours,

WILLIS J. WHEAT, *President.*



TABLE 67.—Comparable data concerning the public schools of Oklahoma beginning with 1909-10

School year	Total average daily attendance	Number of teachers employed	Average annual salary	State aid <sup>1</sup>	Total general fund expenditure	Per capita based on average daily attendance	State total net valuation
1909-10.....	236,548	8,315	\$366.80	-----	\$8,600,450.32	\$36.36	\$906,384,338
1910-11.....	260,018	9,295	372.75	-----	6,759,412.60	28.00	1,326,840,833
1911-12.....	274,694	10,282	422.10	-----	8,957,567.85	32.61	1,193,655,846
1912-13.....	284,186	10,779	430.15	-----	8,047,568.21	28.32	1,177,039,420
1913-14.....	322,117	11,876	513.68	-----	7,879,906.10	24.46	1,176,933,582
1914-15.....	323,464	12,390	520.88	-----	8,617,391.32	26.64	1,187,164,328
1915-16.....	325,053	12,721	536.40	-----	9,564,242.53	29.42	1,248,811,724
1916-17.....	345,142	13,565	517.92	-----	11,832,778.19	34.28	1,332,220,257
1917-18.....	336,578	14,204	600.08	-----	13,803,861.65	41.01	1,439,581,118
1918-19.....	350,252	14,727	681.84	-----	15,897,818.24	45.39	1,664,448,745
1919-20.....	355,998	15,711	744.80	\$100,000.00	22,826,949.57	64.12	1,695,797,187
1920-21.....	390,596	16,611	989.60	100,000.00	26,477,161.00	67.79	1,739,835,008
1921-22.....	431,519	17,274	1,009.96	100,000.00	26,973,599.00	62.51	1,671,753,031
1922-23.....	441,037	17,988	1,005.49	100,000.00	29,503,560.00	66.90	1,686,187,934
1923-24.....	427,345	18,404	1,061.07	100,000.00	31,701,334.00	74.18	1,665,566,471
1924-25.....	457,413	18,390	1,001.04	100,000.00	28,506,483.00	62.32	1,674,826,952
1925-26.....	444,905	18,393	1,031.80	500,000.00	27,885,900.00	62.68	1,697,364,213
1926-27.....	432,086	18,813	1,021.81	500,000.00	29,540,764.00	68.37	1,729,432,830
1927-28.....	457,983	19,130	991.13	1,489,762.50	31,262,378.00	68.26	1,791,424,587
1928-29.....	461,808	19,565	1,041.00	1,489,250.00	33,574,956.00	51.04	1,829,674,641
1929-30.....	470,090	20,146	1,096.00	1,754,881.50	31,995,433.00	68.06	1,851,602,103
1930-31.....	492,864	19,978	1,120.00	1,792,522.00	31,692,896.00	64.30	1,753,690,249
1931-32.....	493,244	19,842	1,070.61	1,398,416.00	28,272,859.00	57.32	1,409,663,561
1932-33.....	491,464	19,510	901.07	1,491,009.00	23,105,974.00	47.01	1,232,731,121
1933-34.....	492,022	19,300	784.20	1,412,629.71	21,081,200.44	42.84	1,258,686,473
1934-35.....	501,890	19,617	860.39	2,810,565.47	23,158,076.20	46.14	1,232,928,286
1935-36.....	497,974	19,858	981.57	8,180,000.00	28,077,298.58	56.38	1,221,659,918
1936-37.....	498,753	20,459	975.61	8,454,000.00	29,034,401.05	58.21	1,099,735,872
1937-38.....	492,907	20,874	1,060.57	12,233,733.00	32,414,917.55	65.76	1,103,189,782
1938-39.....	502,561	20,938	1,083.16	12,737,945.32	33,307,502.42	66.28	1,070,560,468
1939-40.....	485,290	20,980	1,040.32	11,436,321.37	31,507,590.64	64.93	1,054,067,835
1940-41.....	463,763	20,276	1,068.50	11,359,758.41	31,343,562.00	67.59	1,061,983,422
1941-42.....	439,238	19,391	1,139.60	8,208,443.00	32,015,747.67	72.89	1,092,050,565
1942-43.....	413,205	18,084	1,284.05	7,555,055.00	31,798,187.70	76.95	1,248,906,651
1943-44.....	386,061	17,272	1,417.50	8,717,239.00	34,684,381.44	89.84	1,302,573,590
1944-45.....	361,028	16,931	1,505.74	9,542,543.00	36,083,921.00	99.95	1,315,052,379
1945-46.....	391,337	17,863	1,814.75	15,524,922.00	44,244,242.00	113.06	1,391,238,021
1946-47.....	405,667	18,312	1,837.09	17,086,149.00	46,181,682.00	113.84	1,423,516,463
1947-48.....	399,966	18,097	2,209.01	18,764,958.00	57,368,768.00	143.43	1,554,090,583
1948-49.....	395,631	18,447	2,306.13	18,092,215.00	62,656,628.11	158.37	1,402,276,751
1949-50.....	401,931	18,885	2,776.43	25,611,082.00	74,774,460.68	186.04	1,485,096,011
1950-51.....	409,191	19,244	2,807.76	24,782,979.00	78,834,478.00	192.66	1,547,017,095
1951-52.....	404,767	19,477	3,113.24	28,224,464.00	87,424,082.28	215.99	1,647,726,019
1952-53.....	411,430	19,411	3,237.01	27,132,130.00	90,274,234.11	219.42	1,724,215,669
1953-54.....	425,425	19,695	3,502.00	30,568,973.00	97,416,867.23	228.99	1,806,078,557
1954-55.....	447,394	20,075	3,569.57	30,443,402.00	100,382,126.78	224.37	1,854,873,584
1955-56.....	453,173	20,512	3,768.25	30,328,425.16	108,639,186.52	239.73	1,930,985,725
1956-57.....	460,146	20,683	3,942.68	29,646,371.65	115,930,959.11	251.94	2,009,607,374
1957-58.....	460,385	20,698	4,272.21	31,531,572.00	124,347,105.54	270.09	2,082,262,809
1958-59.....	476,489	20,858	4,645.68	38,416,358.95	136,902,683.83	287.32	2,147,193,171
1959-60.....	485,559	21,530	4,791.86	42,547,116.51	144,845,479.97	298.26	2,234,900,180
1960-61.....	-----	-----	-----	-----	-----	-----	2,355,709,113

<sup>1</sup> Does not include dedicated funds.

Source: State board of education, finance division.

TABLE 68.—Sources of revenue and the amount collected from each source by the common schools of Oklahoma for the fiscal years 1951–60

School year	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960
<b>Local total</b> .....	\$46,471,339	\$48,987,939	\$53,347,540	\$56,012,539	\$59,750,807	\$66,822,298	\$72,647,851	\$80,471,751	\$84,453,704	\$90,746,358
Revenues for general fund.....	37,254,701	38,747,231	40,650,109	42,194,503	43,992,485	51,927,783	54,988,846	60,052,260	62,814,687	66,471,224
Ad valorem tax.....	33,890,627	36,242,547	38,196,579	39,758,644	41,549,628	41,034,239	43,462,683	47,576,584	49,852,963	52,350,084
County apportionment.....	420,813	428,782	307,617	346,025	490,298	449,516	411,604	385,246	470,819	476,888
County 4-mill levy.....						7,531,423	7,961,354	8,311,672	8,403,753	8,856,986
Intangible tax.....	907,752	911,798	1,075,081	1,140,163	1,193,699	1,345,488	1,451,994	1,503,926	1,485,837	1,610,919
Miscellaneous.....	2,035,509	1,164,104	1,070,733	949,671	758,860	1,567,117	1,701,211	2,274,832	2,601,315	3,176,347
Revenues for capital outlay and debt service.....	9,216,638	10,240,708	12,697,431	13,818,036	15,758,322	14,894,515	17,659,005	20,419,491	21,639,017	24,275,134
Constitutional building fund.....	4,491,069	4,990,076	6,364,477	6,707,427	7,446,040	6,280,788	6,266,035	7,771,660	7,951,908	8,372,004
Sinking fund.....	4,725,569	5,250,632	6,332,954	7,110,609	8,312,282	8,613,727	11,392,970	12,647,831	13,687,109	15,903,130
<b>State total</b> .....	42,212,815	47,455,259	47,883,286	52,646,343	53,706,427	56,793,736	56,951,951	59,631,443	67,534,947	73,054,582
Dedicated revenues.....	16,103,577	17,104,644	18,974,194	20,200,960	21,878,427	24,843,255	25,621,451	26,266,516	27,301,791	28,482,407
Automobile license tags.....	12,088,852	12,854,207	14,109,633	15,269,868	16,994,282	19,223,510	19,737,567	20,551,382	21,329,847	22,546,444
Gross production tax.....	2,404,919	2,632,435	2,802,239	3,020,392	2,900,505	3,187,421	3,459,532	3,406,051	3,398,804	3,267,245
Rural electric cooperative tax.....	113,692	136,500	160,347	181,170	228,445	252,366	283,426	294,260	329,866	366,962
School land department earnings.....	1,496,114	1,481,502	1,901,975	1,729,530	1,755,195	2,179,958	2,140,926	2,014,823	2,243,274	2,301,756
Appropriations by the legislature.....	26,109,238	30,350,615	28,909,072	32,445,383	31,828,000	31,950,481	31,330,500	33,364,927	40,233,156	44,572,175
Vocational aid.....	448,989	470,553	545,295	589,408	609,508	620,533	594,185	597,764	622,371	628,778
Special education.....	151,827			164,139	197,663	208,863	205,353	249,260	249,220	605,239
Audiovisual education.....	68,041	76,969	76,731							
Free textbooks.....	613,442	1,503,348	1,116,580	1,149,490	588,082	716,564	793,350	903,850	935,336	1,472,869
Orphan tuition.....	60,000	90,000	60,000	91,240	91,240	91,240	91,240	82,480	20,000	
Basic, operational, and equalization aid.....	24,766,939	28,209,745	27,110,466	30,451,106	30,341,507	30,313,281	29,646,372	31,531,573	38,406,229	41,865,289
<b>Federal total</b> .....	3,276,307	3,348,930	4,194,285	4,368,117	6,653,979	6,646,909	8,853,462	9,131,499	12,471,184	12,984,561
Vocational aid.....	428,893	414,782	333,344	333,364	402,576	433,101	498,664	523,138	514,915	546,398
Indian education.....	294,348	295,126	323,053	253,635	313,722	359,174	415,576	414,678	383,261	375,425
Federal affected areas.....	1,044,464	1,325,110	2,217,737	2,463,058	4,709,552	4,673,325	5,999,079	6,174,806	9,516,222	8,911,228
School lunch.....	1,508,602	1,313,912	1,320,151	1,318,060	1,228,129	1,181,309	1,940,143	2,018,877	1,455,011	2,315,570
Defense education, Public Law 864.....									601,775	835,940
<b>Grand total</b> .....	91,960,461	99,792,128	105,425,091	113,026,999	120,111,213	130,262,943	138,453,264	149,234,693	164,459,835	176,785,501

<sup>1</sup> Estimated by OPEC.

Source: State board of education, finance division, Oklahoma City, Okla.

EVANSTON, ILL., *March 10, 1961.*

HON. WAYNE D. MORSE,  
*Chairman, Subcommittee on Education,*  
*U.S. Senate, Washington, D.C.:*

The National School Boards Association respectfully wishes to draw to the attention of your committee its strong belief in the American tradition of separation of church and state. Our association is bringing this matter to your attention at this time in the hope that its views will be considered in the deliberations currently underway on President Kennedy's proposed bill to aid education.

The NSBA represents the 150,000 school board members who are the legal trustees of our public schools. The association is dedicated to the advancement of the educational welfare of the youth of our Nation.

Policy No. 14 of our association, adopted February 20, 1955, is as follows:

**Public and private school relationships:** The National School Boards Association supports the American tradition of the separation of church and state, and urges that it shall be vigorously safeguarded. To this end the association advocates that funds raised by general taxation for educational purposes shall be administered by public officials and shall not be used to support any privately operated schools. The association recognizes and upholds the right of any group to establish and maintain schools financed by its own supporters with such governmental supervision as will assure a minimum standard of instruction and adherence to the Constitution and laws of the United States.

In the light of the present controversy centered around the question of Federal grants to parochial and private schools, we thought you might wish to have the official position of those citizens who are charged with the responsibility for administering our public schools at the local level.

Respectfully,

ROY O. FRANTZ,  
*President, National School Boards Association.*

---

OKLAHOMA PUBLIC EXPENDITURES COUNCIL,  
*Oklahoma City, Okla., March 9, 1961.*

HON. WAYNE MORSE,  
*Senate Labor and Public Welfare Committee,*  
*Senate Office Building, Washington, D.C.*

DEAR SENATOR MORSE: The National Taxpayers Conference, comprising citizen-taxpayer organizations in 37 States, is unalterably opposed to S. 1021 known as the School Assistance Act of 1961.

We are opposed to this undesirable and unnecessary new Federal spending program for the following reasons:

First, Federal aid to education will ultimately mean Federal control of education.

Second, the poorest State in the Nation is in a better financial position to meet this responsibility than the Federal Government with a \$290 billion debt and a trillion dollar mortgage on America's future.

Third, the need for Federal assistance simply does not exist despite frantic efforts of the U.S. Office of Education and the National Education Association to prove otherwise.

Senator Morse, the oft-repeated charge that the States have failed to meet their responsibilities in the education of their children is not sustained by the record.

In fact, the 27 poorest States in the Nation—those with less than \$2,000 in per capita personal income in 1959—increased school operating expenditures from \$585,263,319 in 1941 to \$3,291,902,681 in 1960. This is an increase of 562 percent, and in two States the increase exceeds 1,000 percent. (See attached table.)

For all the States, average teacher salaries—without Federal assistance—increased from \$3,010 in 1949-50 to \$5,159 in 1959-60, or a \$200 increase each year for the past 10 years. And the National Education Association estimates another increase of \$230 this year. We ask your committee, in fairness, to compare this increase in teacher income with that of any other group in our national society.

Again, let's examine the record to ascertain whether Federal assistance is needed for school construction. The U.S. Office of Education, if we are correctly informed, estimates the need for construction of 600,000 classrooms in

the next 10 years. However, the annual rate of classroom construction, without benefit of general Federal aid, has averaged just under 70,000 for the past 5 years.

If this rate is maintained, the estimated classroom need would be exceeded. That it will be maintained is indicated by the fact that school bond issues have nearly doubled, dollar-wise, from 1957 to 1960.

On the basis of the facts set forth above, we can only conclude that the real promoters of Federal aid to education are interested in only one objective—the transfer of control of education from the local school board and States to Washington.

We sincerely hope neither your committee nor Congress will approve this transfer and we respectfully request that this letter and the attached table be included in the printed record of your subcommittee hearing.

Respectfully yours,

STEVE STAHL,  
Chairman, National Taxpayers Conference.

TABLE 69.—School expenditures by "poor" States <sup>1</sup>

State	Current expenditures (excluding interest and capital outlay)			Increase from 1940 to 1960	Percent of increase
	1940-41 <sup>2</sup>	1951-52 <sup>3</sup>	1959-60 <sup>3</sup>		
Kansas.....	\$28,483,642	\$70,000,000	\$155,000,000	\$126,516,358	444.17
Nebraska.....	18,345,957	44,200,000	82,000,000	63,654,043	346.96
Florida.....	20,081,241	89,387,941	260,965,000	240,883,759	1,199.55
Minnesota.....	46,033,791	127,505,500	251,300,000	205,266,209	445.90
Arizona.....	8,510,619	33,875,900	99,655,000	91,144,381	1,070.95
Montana.....	10,454,376	28,531,309	<sup>4</sup> 55,800,000	45,345,624	433.75
Iowa.....	38,059,231	105,000,000	200,000,000	161,940,769	425.50
Texas.....	78,537,608	253,033,439	599,570,000	521,032,392	663.42
Utah.....	9,889,088	28,300,000	72,886,000	62,996,912	637.03
New Mexico.....	8,542,462	28,330,000	71,500,000	62,957,538	736.99
Virginia.....	24,442,447	85,000,000	196,414,000	171,971,553	703.58
Vermont.....	4,799,601	12,405,325	21,387,000	16,587,399	345.60
Oklahoma.....	30,972,567	87,850,534	150,500,000	119,527,433	385.91
Idaho.....	8,422,606	22,500,000	40,937,000	32,514,394	386.04
Maine.....	9,436,217	24,622,536	56,300,000	46,863,783	496.64
West Virginia.....	26,555,339	68,162,876	103,101,000	76,545,661	288.25
Louisiana.....	23,332,825	94,013,005	230,895,000	207,562,175	889.57
Georgia.....	24,885,021	93,000,000	184,375,000	159,489,979	640.91
North Dakota.....	8,577,217	23,468,295	42,400,000	33,822,783	394.33
Tennessee.....	24,494,306	79,100,000	160,000,000	135,505,694	553.21
Kentucky.....	23,915,355	67,000,000	120,876,000	96,960,645	405.43
North Carolina.....	34,491,163	121,090,987	230,000,000	195,508,837	566.84
South Dakota.....	11,848,029	26,857,969	46,000,000	34,151,971	288.25
Alabama.....	20,445,590	<sup>4</sup> 67,000,000	<sup>4</sup> 152,000,000	131,554,410	643.44
South Carolina.....	16,060,356	59,107,584	110,000,000	93,939,644	584.92
Arkansas.....	11,677,741	<sup>4</sup> 38,300,000	83,541,000	71,863,259	615.39
Mississippi.....	13,968,924	40,880,488	99,764,000	85,795,076	614.18
Total.....	585,263,319	1,818,523,688	3,877,166,000	3,291,902,681	562.47

<sup>1</sup> Includes all States with per capita personal income under \$2,000 in 1959.

<sup>2</sup> By David T. Blose, U.S. Office of Education, Federal Security Agency, Washington, D.C.

<sup>3</sup> Research Division, National Education Association.

<sup>4</sup> National Education Association Research Division estimates.

Source: Oklahoma Public Expenditures Council, March 1961.

(Whereupon, at 4:40 p.m., the hearing was recessed, to reconvene at 9:30 a.m., Tuesday, March 14, 1961.)

